

BIENNIAL MESSAGE

OF

GOV. WILLIAM M. STONE,

TO THE

TWELFTH GENERAL ASSEMBLY

OF THE

STATE OF IOWA.

DES MOINES:

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1898.

GOVERNOR'S MESSAGE.

STATE OF IOWA, EXECUTIVE DEPARTMENT,
Des Moines, January 14th, 1868.

Gentlemen of the Senate and House of Representatives:

In communicating to the General Assembly the condition of the State, as enjoined by the Constitution, I am permitted to review, with sincere gratification, a period of uninterrupted prosperity in the history and growth of our commonwealth.

The success of our financial transactions during the last biennial term, with public and private faith co-existing and unimpaired, inspires confidence in our fiscal relations, and relieves us of any reasonable apprehension of future derangement. The prosperity of the people in their various pursuits, and the ample returns they have realized from well directed industry, have enabled them to discharge their obligations to the State government with commendable promptitude, and impart vigor and stability to the execution of its powers.

An exhibit of our fiscal operations will show that, while we have been liberal in appropriations designed to promote the public interests, we have also been just to ourselves by observing a system of economy that has confined the total expenditures of the State safely within its available resources. The result of this considerate policy is observable in the facts that the State is not only free from embarrassment, and, as will be seen, practically exempt from debt, but the resources at our disposal, after meeting all demands, arising from current expenditures and appropriations for special and extraordinary purposes, will furnish the basis for a liberal estimate of future disbursements.

While the State disburses more revenue now than at an earlier period, yet it by no means follows that there is less frugality in the

management of its finances. As a State advances in age and population, its fiscal responsibilities become more extended and complex. Not only is the necessity for ordinary outlays continued and increased, but new exigencies arise for the application of its revenue.

All governments derive their support from that form or system of taxation, which the circumstances of the country, and the condition and pursuits of its people render most expedient and available. Accordingly, a wise government will so direct its affairs, and determine the limits of its expenditures, that the revenue required for the performance of its functions may be obtained without oppression or delay. Within these legitimate boundaries, taxation ceases to be onerous, and herein also a well constituted government exemplifies the soundness and wisdom of its financial policy.

Among the grave subjects to which your attention will be earnestly directed during the present session, none will be more important than those measures demanding special appropriations of the public revenue. While it is my conviction that the people of Iowa will freely meet taxation on a scale adequate to the maintenance of the public credit, and the proper support of their State government, I am nevertheless admonished by well developed symptoms of monetary derangement, consequent in part upon hazardous experiments with the national currency, that extravagant or inconsiderate appropriations, in the midst of this uncertainty, may produce unnecessary embarrassment.

FINANCIAL STATEMENT.

The Reports of the Auditor and Treasurer, herewith presented, will furnish you with a detailed statement of the financial transactions of the State, under the various appropriations made by the last General Assembly, and also with the estimated resources and expenditures for the present biennial period.

At the close of the fiscal term ending November 4th, 1865, there was a residue of \$47,236.62 remaining in the Treasury, which entered into the resources of the period that has just expired. Including this residue, there was received into the State Treasury during the last fiscal period from all sources, \$1,412,395.19, and the

total disbursements during that time amounted to \$1,314,654.74, leaving an unexpended surplus, November 2d, 1867, of \$97,740.45.

These statements show that, notwithstanding the unusually large disbursements required under the appropriations of the last session, the increase of salaries, payments on the public debt, and the various exigencies which augmented the total of ordinary expenditures, we have, out of the revenue thus received, carried the State through the past two years without incurring new liabilities, and have left a larger balance in the Treasury than has been found there at the close of any preceding fiscal period.

In order to understand this exposition more clearly, it may be well to state that nearly \$300,000 of these disbursements were required under the extraordinary appropriations made to the Orphans' Home, Agricultural College, Asylums for the Blind and for the Insane, and other purposes, including also \$114,000 in liquidation of the bonded debt of 1858. Deducting these items from the total expenditures, and it will be observed that the ordinary outlays of the State government during this time were materially curtailed from the former term.

The estimated expenditures for the present fiscal period is \$941,659.31, and to this amount must be added, of course, such appropriations for special and extraordinary purposes as the General Assembly in its wisdom may consider necessary for the public good. The resources for the next two years are estimated at \$2,175,754.21, which may be anticipated with reasonable certainty. In this amount is included \$300,000 due us from the United States on claims for military expenditures, which are now in process of successful adjustment, and will, as I am advised, be audited and paid at an early day.

PUBLIC DEBT.

Since the adjournment of the last session, we have, as before remarked, discharged \$114,000 of the bonded debt of 1858, leaving \$86,000 unpaid; but as the bonds are overdue and the State has taken the proper steps to liquidate them, they ceased to draw interest from the first of the present month. Although these bonds were not due, yet the entire amount of them would have been paid over one year ago, if their surrender for payment could have been

procured. Deeming it advisable to save for the State the accruing interest on these bonds, the treasurer and myself made diligent inquiry for them among the leading bankers of the country, but our efforts to find them, except as to the amount already paid, were unavailing. The amount required to liquidate the balance of this indebtedness is on deposit at the Metropolitan Bank, New York, and will be disbursed on presentation of the bonds.

There being no warrants outstanding, the only remaining indebtedness of the State is the \$300,000 of seven per cent. bonds, issued for war and defense purposes in May, 1861, and due January 1st, 1881. Whether the holders of these bonds could be induced to surrender them for payment, in advance of their maturity, I am not advised; but if this desirable arrangement can be effected, I would recommend that out of the proceeds derived from our claims against the United States, the amount required for this purpose be appropriated and set apart. These bonds having been issued in raising money for military expenditures incurred in behalf of the Federal Government, there would be a manifest propriety in applying the proceeds derived from this source to the extinguishment of the debt thus created; or, in other words, to so manage that this debt will pay itself.

This measure may receive additional weight from the reflection that by adopting it, we shall save to the State \$21,000 as interest annually paid to the holders of the bonds. The policy of permitting our obligations to remain outstanding for a series of years at this high rate of interest, when the State has the means at hand to discharge them, is one which can not be justified by principles of sound economy. But if the surrender of these bonds can not be secured, would it not be advisable, as a measure of economy, to invest the requisite amount, when received from the United States in some class of interest bearing securities, and thereby relieve the people from the burden of this accruing interest? With the principal so invested we could anticipate the maturity of the bonds, and effect thus early the practical liquidation of the entire debt.

The total amount anticipated from the payment of these military claims exceeds \$500,000, and appearances now indicate that we shall realize the whole amount within the present year.

The record here presented, reaching back to the commencement

of the late civil war, and embracing a period of imminent peril to the national government, and of grave responsibility to the States, may be contemplated with profound satisfaction by every citizen of Iowa.

POPULATION.

Twenty-one years have elapsed since this Commonwealth passed from its Territorial condition, and became a member of the Federal Union. Within a period quite brief, when compared with the history and progress of older countries, this generation has witnessed the origin and marvelous growth of a State that now contains one million of inhabitants, and which, in all the elements of continued advancement and enduring wealth, bids fair to exceed the highest anticipations of its early settlers. The rapid progress we have already made under circumstances which, during most of this period, were quite unfavorable to a speedy development of our resources, is the result of obvious and natural causes. Organized out of territory which the Fathers had wisely dedicated to Freedom, with a genial and invigorating climate, with a soil of unsurpassed productiveness, and amply supplied with the materials required in the various departments of industrial enterprise, the foundations for the prosperity and ultimate greatness of this State existed at the very period of its birth.

The history of Iowa as a distinct political organization dates from July 4th, 1838, when it was created a Territory, although it was not until the 28th day of December, 1846, that it became a sovereign State. We started as a Territory with 22,859 inhabitants, and, at the time of its admission, the State contained a population of 97,588, principally confined to the earlier settlements along the eastern border, and in counties most convenient of approach from the Mississippi River. Of this population the counties of Lee, Van Buren, Des Moines, Henry, Dubuque and Jefferson contained over one half, and there were only twenty-one other counties which, at that date, had reported any inhabitants at all.

When it is considered that the State contains no navigable streams within its boundaries, that during ten years subsequent to its admission it was entirely destitute of railroad facilities, and that more

than two-thirds of the immigration was compelled to reach us by toilsome journeys over rude and often impassable wagon roads, the subsequent rapid increase of our population appears altogether remarkable.

During the ten years that followed our organization as a Territory, the average yearly increase of population was 11,196; and during the succeeding ten years, ending in 1858, the average increase per annum was 46,404. It will be observed that this last decade embraces the heavy immigration we received from 1854 to 1856, during which years, as the older citizens will not fail to remember, the population of the State was augmented more rapidly than at any other equal period of its history. The total increase for these two years was 193,400, or a yearly average of 96,700, showing that our advance during this period was greater than the entire population under the National Census of 1850, and that our increase in a single year was equal to the total growth of population from the first settlement of the Territory up to the time of our admission as a State.

We now approach a period during which, in consequence of the late civil war, the population, commerce and general progress of the State were seriously retarded. From the taking of the National Census in 1860 to the close of the Rebellion, a period of nearly five years, the entire increase of population was only 19,186, producing a yearly average of less than 16,000. In the midst of so much derangement and calamity, while the young and enterprising men of other States were so generally devoting themselves to the public service, and while one-ninth of our own people was connected with the National armies, it may be regarded as worthy of note that our population should have increased even to this extent. Since the return of peace, however, the State appears to have developed new energies, and received a wonderful impetus in every department of enterprise. The census returns for 1867 show a total population of over 900,000, and an addition since the census of 1865 of about 150,000, or nearly double the total amount of our growth during the five years which terminated with the Rebellion.

In representing the present population of the State I have only given the number actually returned by the different township assessors, who, in too many instances, are neither accurate nor thorough in their work. These returns having been made early in the season,

include but little of the spring and none of the summer and fall immigration. They also omit the productions of the last, and confessedly the most prosperous year with which Providence has blessed our State. From careful observation and a thorough analysis of the data thus furnished I feel altogether warranted in saying that there are, at this time, not less than 100,000 inhabitants not included in the census of last year, which, added to the number returned, give us one million as the present population of the State.

It is gratifying to contemplate that while we have thus steadily gained in population, the material wealth of the State has been augmented at a corresponding rate, and the labor and enterprise of our people have been abundantly rewarded. Upon this subject the census returns carefully compiled and published by the Secretary of State, will afford much interesting and valuable information. It will appear that with the advance of railroad enterprises, there has been a rapid appropriation of our vacant domain to agricultural purposes, and that far in the interior, and on the western slope, flourishing towns, and even cities, have sprung up at points where, until recently, the adjacent country has remained in its primeval condition. The rapid and constant yearly addition to the number of cultivated acres indicates the progress of our agricultural interests, and the immense annual surplus of grain and stock, shipped to the markets of other States, demonstrate beyond all question that our soil and climate are favorable to the highest measure of agricultural development.

It is not, however, in the pursuit of agriculture alone that the enterprise and wealth of our people are advancing. In the general development of our varied resources, other departments of enterprise and of remunerative labor are likely to command a large share of attention, and realize an adequate measure of success. Our coal, peat, gypsum, rock, timber and plentiful supplies of water, together with the various kinds of raw material produced within the State, or readily obtainable in exchange for our own productions, present the strongest inducements that can exist for the introduction and promotion of manufacturing enterprises. That these advantages are already understood and realized is sufficiently illustrated by the fact that the capital employed in manufacturing purposes, as shown by the census returns of last year, amounts to \$15,757,599, and that the capital thus invested has been more than doubled within the last two years.

It would be well if the people of this State more fully realized the important fact that the various implements adapted to agricultural and mechanical pursuits, and the machinery required in various manufacturing purposes, may be abundantly supplied by the labor of their own artisans and mechanics. The vast sums now annually expended in the purchase of these articles from the princely establishments of the Eastern States should be retained to augment home capital, and encourage the enterprise and reward the industry of our own citizens. We should understand, as a grave question of political economy, that buying more than we sell, whereby the balance of trade is turned against us, exhausts capital and prevents the accumulation of wealth. I hope to see the attention of our people more fully awakened to the importance of a subject which so intimately concerns individual interests not only, but also the general welfare of the State.

COMMON SCHOOLS.

The carefully prepared and comprehensive report of the Superintendent of Public Instruction, will explain to you the condition and progress of our common schools. If shielded, as they wisely have been for several years, from the disturbing hand of attempted legislative improvement, and if liberally sustained by an intelligent public sentiment, our common schools may continue to advance in usefulness, and become an enduring monument to the eminent men by whose wisdom this admirable system of popular education was devised.

Our law generously extends the benefits of common school education to all persons within the State, between the ages of five and twenty-one years, while in many States school ages begin at six and end at fifteen or eighteen years. In this manner the total number to be provided for is largely increased, and educational advantages are thereby more widely extended. The enumeration for 1867 shows the whole number of persons of school age to be 372,969, being an increase over the former year of 24,471. The total number of teachers employed during the last year was 10,343, and an addition of one thousand to that of the preceding year, and showing that for every number of thirty-six persons having a right to common school privileges, one teacher has been employed. There are 5,454 school houses reported, making an average of fifty-

six for every organized county in the State, many of which counties contain less than one thousand inhabitants each, and averaging over five school houses to each organized township. And these, it should be remembered, are independent of the sixty-two academies, colleges and universities established at different points in the State.

The total amount expended for the support of common schools during the last year, was \$2,069,597.82, making eight dollars and four cents paid for each pupil in attendance during the year, and five dollars and fifty-five cents per capita for the entire number of school age, and the sum of two dollars and twenty-nine cents per capita for the entire population of the State, as shown by the recent census.

Without going into farther details, I submit the foregoing facts as sufficient to illustrate the practical workings and great success of our common school system. These liberal and wise provisions for the diffusion of educational advantages impartially among the youth of all classes, furnish contributions of imperishable value to the legacy which the people of this generation will bequeath to posterity.

I heartily concur with the Superintendent in his well-matured suggestions in favor of the establishment of a Normal School, and respectfully invite your attention to the views presented on this subject in my communication to the Eleventh General Assembly.

STATE UNIVERSITY.

The report of the Trustees of State University at Iowa City will be laid before you. The additional building provided for under the appropriation made by the General Assembly in 1864 is completed and is now in use. The high rank which such a seat of learning should occupy, the fact that it is permanently established by the Constitution and placed under our control, and that its endowment is not fully adequate to its current wants, all impose upon the State peculiar obligations. Whatever, therefore, will contribute to the advancement and promote the usefulness of this valuable auxiliary to our educational system, should be promptly afforded.

CHARITABLE INSTITUTIONS.

The reports of the proper officers having charge of the

Insane, Blind, and Deaf and Dumb, prepared with evident care and much labor, will explain with intelligent particularity the past transactions and present condition of their respective institutions.

It affords me much pleasure to assure you that these institutions, under their present management, are fully sustaining the high reputation they have hitherto borne. As the State advances in population, the unfortunate class of citizens for whose benefit these institutions were designed will continue to increase in number, and require additional facilities for their accommodation and treatment. The duty of providing for these afflicted persons, is one of unavoidable obligation, and appeals, with peculiar force, to the nobler sentiments of our nature. Whatever is required to ameliorate their condition, and promote their comfort, should be promptly and generously bestowed. To withhold the means necessary to render the capacity of these institutions adequate to the growing demands upon them, because of the pecuniary burden imposed, is equivalent to saying that considerations of dollars and cents are of greater moment to the people of Iowa than the performance of Christian obligations.

The inadequacy of the building at Iowa City, now temporarily occupied as a Deaf and Dumb Asylum, induced the General Assembly at its last session to pass an act permanently locating this institution at Council Bluffs. By this act commissioners were appointed to select the location, procure the plan and specifications for the building, receive proposals for its construction, and put the same under contract. It was also made the duty of these commissioners to report their proceedings to the Governor, on or before the first of October last, which report he was required to transmit to the General Assembly for its approval. This report was received too late for any examination at this department. I am advised by the commissioners that the delay has been occasioned by the destructive fire which occurred in that city in June last. I am informed, however, that the plan for this building has been selected, and a contract entered into for its construction, at a cost of \$310,000. An eligible site has been selected for the institution, within the required distance of that thriving city. It now remains for the General Assembly to determine whether the action of

these commissioners shall be ratified, and the amount of money appropriated necessary to erect this building according to the plan adopted, and at the cost agreed upon in the contract. This subject is invested with so much importance, in all its bearings, that I can not too strongly urge it upon your careful and considerate attention.

ORPHANS' HOME.

The Home established for the care and maintenance of the children of our deceased soldiers is recommended to your thoughtful care. This institution, first established as a private corporation, and supported by voluntary donations from soldiers in the army and other sources, was finally adopted by the State and taken under its exclusive authority. The principal department is established near the city of Davenport, with branches at Cedar Falls and Glenwood. By this distribution the Home is rendered more accessible to the children of the State entitled to its benefits. It affords me pleasure to state that this institution is in excellent condition, and appears to have been managed with much practical ability and economy. Schools have been established and conducted by a competent corps of teachers, thus combining educational advantages with the support of the children committed to its care.

Under the act of the Eleventh General Assembly, by which the State assumed the control of the institution, a levy of three-eighths of one per cent was required to be made for its support, allowing eight dollars and thirty-three cents per month for each child in attendance. Since this change occurred, July 1st, 1866, the sum of \$101,864.58 has been drawn upon the proper vouchers from the State Treasury for its support. The report of the Trustees, which will be submitted for your information, shows the total number of children now maintained at the Home to be 834, distributed as follows: Davenport branch, 537, Cedar Falls, 270, and Glenwood 27. The trustees recommend that the allowance for support and current expenditures be increased to the rate of twelve dollars per month, for each child in attendance, which amount, in their opinion, will furnish no more than an adequate support for the proper and efficient maintenance of the institution. They also recommend that the buildings be improved and extended, in order to provide suitable

accommodations for the present and increasing number of inmates. For this purpose, according to the estimate of the Trustees, about 27,000 will be required.

This subject deserves and should receive your deliberate and considerate attention. The responsibility of providing for these children was assumed under a sense of duty to the men who nobly filled the largest measure of responsibility to the country, by laying down their lives in its defense; and, in doing this, we but discharge, to a limited extent, the highest obligation that can be imposed upon a patriotic and grateful people.

PENITENTIARY.

Your attention is respectfully invited to the condition of the penitentiary, and to the necessity which exists for additional appropriations to increase its capacity and security. The report of the Warden and accompanying documents will fully explain to you the condition and wants of this institution. The necessity for an increase of cell-room is so manifest and urgent that I trust it will receive your prompt and favorable attention. The biennial period just elapsed began with eighty-seven convicts and 148 cells, and closed with 160 convicts and 162 cells, leaving only two unoccupied. It will be observed that the number of convicts has nearly doubled within the last two years; and with the progress of population it is but reasonable to anticipate a continual increase of crime, requiring additional facilities for the keeping and accommodation of convicts.

It should be borne in mind that these additional cells must be provided for immediately, unless the State is prepared to adopt the vicious and discarded system of doubling the convicts in their cells, which is prejudicial to health not only, but destructive of proper discipline.

With the large amount of combustible material unavoidably kept in the various workshops and about the prison inclosure, the danger from destructive fires is constant and imminent, and its occurrence would produce immense loss both to the State and the lessees of the convict labor. To provide against such a catastrophe, inasmuch as no insurance can be effected upon the buildings or their contents, it is necessary to construct a reservoir of sufficient dimensions, at some point on the prison walls, with suitable pipes and other fixtures

requisite for flooding the various buildings when necessary, in any alarm of fire. This reservoir must be supplied with water obtained from the river by means of hydraulic power; all of which, as I am advised, can be accomplished at a moderate expense to the State.

The accounts and vouchers of the warden have been examined from time to time, and found to be correct. The business and affairs of this institution appear to have been managed, in all respects, with commendable prudence. Its sanitary condition is excellent, not a death having occurred among the convicts during the last two years, and the good order and system which prevail are evidence that the discipline of the prison is efficient and complete.

STATE REFORM SCHOOL.

The report of the warden shows that, out of the one hundred and sixty convicts now in the penitentiary, there are 59 under twenty-one years of age, and 34 of these vary in age from twelve to eighteen years. An examination of our criminal returns will reveal the melancholy fact that a very large and increasing proportion of those arraigned in our Courts, upon criminal accusations, are persons of tender age, many of whom find their way into the penitentiary, there to serve for a term of years in companionship with old and confirmed offenders. A large majority of these unfortunate youth are either orphans, cast out upon their own resources, or the neglected offspring of parents who are either too poor to support, or have, with criminal indifference, neglected the education and moral training of their children. Thus neglected, or deprived of the restraining influences of a well-ordered home, these unfortunate children are often driven into association with older companions, by whose corrupting manners and vicious propensities they are conducted, by sure degrees, into the perpetration of crimes, from which their better natures, if they had been properly directed, would have turned with horror.

Some years of observation and experience both as a judicial and executive officer have deeply impressed me with the conviction that the soundest considerations of public economy, and every sentiment of an enlightened and Christian philanthropy, imperatively demand the erection of a reform school, for the instruction and reformation of juvenile offenders. Instead of working the reformation of such per-

sons, a term in the State penitentiary, by keeping them in the pernicious atmosphere of prison life, constantly subjected to the demoralizing influences of confirmed and hopeless criminals, only serves to prepare them for entering upon a higher and bolder career of crime.

Many other States have deemed it expedient to adopt the policy here suggested, and the signal success which has marked the experiments of Reform Schools, and their universal popularity wherever they have been tried, serves to encourage me in urging the General Assembly to establish one in this State at the earliest day practicable. For this purpose, I would recommend that a tract of land, say from fifty to one hundred acres, be procured by donation or otherwise, at some eligible and convenient point, and that an appropriation be made for the erection of suitable buildings to put the school into immediate and successful operation.

Reference should be had to the erection of workshops where these offenders may also acquire a knowledge of some mechanical art, which, combined with well directed intellectual and moral instruction, will serve to qualify them for a useful manhood, and stimulate them to higher and nobler aims after their terms of sentence shall have expired. With the income derived from these industrial operations, the institution may also, to a great extent, if not altogether, be rendered self-sustaining.

In my opinion a subject more grave and far-reaching in its character can not engage the attention of an enlightened and humane legislator.

SCHOOL FUND.

I respectfully and earnestly renew the suggestions contained in my biennial message to the Eleventh General Assembly, in reference to the urgent necessity of requiring the permanent school fund now on loan to the counties, to be returned to the State Treasury, for the purpose of a more safe and available investment.

This suggestion did not originate with me, nor am I alone in entertaining the opinion that it has become a subject of grave concern. My predecessors, Governors Grimes, Lowe and Kirkwood, wisely directed legislative attention to this subject and, in forcible terms urged the necessity of a more prudent management of

this fund. In these views they were cordially sustained by the accounting and financial officers of the State, whose duties and means of observation entitled their opinion to additional consideration. But, for reasons which I am unable to understand, these wholesome recommendations have been disregarded, and this sacred fund, which the Constitution commits to our care, is permitted to float about the State under the precarious guardianship of county authorities. The immense and continued losses already resulting to the State, is deemed a sufficient argument to illustrate the impolicy of thus creating a hundred local banking shops out of this invaluable fund, designed for the education of our youth. The principal of this fund has already been diminished to the amount of over \$125,000; and while the State has obligated itself to pay to the schools interest on the entire amount at the rate of eight per cent., yet the aggregate of interest actually realized, owing to these losses, is only six per cent. on the entire principal, constituting thereby an annual loss to the State in this direction of \$50,000. Under the Constitution, the State is made the responsible guardian of this fund, the principal of which is intended as a permanent endowment to our common schools, the interest thereon being applied to their temporary support.

The State is thus rendered liable for every dollar of both interest and principal, and the people must inevitably be taxed to re-imburse all losses which occur. How long this loose manner of performing constitutional obligations will continue, is a question which rests in the sound discretion and foresight of the General Assembly. I can not, however, divest myself of the conviction that our imperfect discharge of this solemn trust is a dereliction of duty, which must, in the calm judgment of posterity subject us to merited reproach.

The efforts of the present Auditor to obtain a satisfactory settlement with the delinquent counties have, owing to the imperfect manner in which their accounts are kept, so far resulted only in partial success. The county of Allamakee acknowledges the receipt of \$113,144.61 from this fund, over \$22,000 of which, so far as the State knows or can ascertain, have been lost sight of since the month of June, 1865. Losses of a similar character might be cited from other counties.

I therefore, again recommend and urge the General Assembly to recall this money from the counties, and appropriate it to the estab-

ishment of Normal and Reform schools, or other State institutions; and that bonds be issued therefor to the school fund, bearing interest at eight per cent, and payable semi-annually.

STATE HOUSE.

The unsafe condition of the present State House, with its cracked walls and insecure foundation, and its admitted incapacity for the purposes required, will suggest to your minds the urgent necessity for the construction of a new edifice of a size and character commensurate with the prospective demands and just pride of the State. Constructed largely of wooden materials, with articles of a combustible character scattered through its various apartments, and having no vaults or fire-proof rooms as safe depositories for the documents, libraries, and archives belonging to the State, the building we now occupy, with its invaluable contents, is at no time secure from total destruction by fire. It is impossible to contemplate the magnitude of the loss that would result to the State from such a calamity, and the bare possibility of its occurrence is deemed sufficient to command your intelligent consideration of the subject.

In the prosecution of this work, if it be done in a proper and substantial manner, we can not economically expend more than \$150,000 per annum. An appropriation of this amount from year to year, basing our estimate in part upon the continued increase of taxable property, will require an average yearly assessment of less than one-twentieth of one per cent.

As to the plan and dimensions of the proposed structure, I shall interpose no views or suggestions of my own. The whole subject must be left to the considerate judgment and intelligent action of the General Assembly. We should bear in mind, however, that this edifice is not designed for the use of this generation only, but for future generations also; and in laying its foundations we should endeavor to anticipate the probable requirements of the State for many years to come.

It matters not how soon this building is commenced, or how vigorously the work may be advanced, a period of six to ten years will necessarily elapse before it can be completed, ready for occupancy. The durability of the edifice, and its perfect security from

fire and other casualties, are the leading and essential objects to be kept in view, and to this end, it should be constructed entirely of stone and other incombustible material.

In my judgment every year's delay in the erection of a new Capitol, is unwisely jeopardizing the best interests of the State. I would, therefore, recommend that Commissioners be appointed to determine the plan, character and dimensions of the building, under such directions as you may consider advisable to adopt, and that they be empowered to commence the work at the earliest day practicable, and that an appropriation be made sufficient to carry it forward until the next meeting of the General Assembly.

GOVERNOR'S MANSION.

In retiring from the Executive Chair, I deem it my duty to recommend and urge upon the General Assembly, as a provision eminently calculated to advance the public service, that a suitable residence be provided for the incumbent of this office, and that he be required to reside at the Capital during his official term. While in a position to be personally affected by it, I could not with propriety have made this recommendation, and anticipating that the distinguished citizen who succeeds me may be restrained by like motives of delicacy from making it the subject of an official communication, I am constrained to avail myself of the opportunity now presented to urge this subject as a measure demanded alike by the interests and the credit of the State. Iowa is among the very few States which have not already adopted such a provision. Since its organization the Executives of the State have never been required to reside at the Capital, neither have they done so; and I feel well assured that until an Executive mansion is provided, or a material addition made to the salary, none will, in the future, desire to incur an expenditure far in excess of the compensation allowed by law. Although during the period of my first administration, in consequence of the military responsibilities it involved, the duties were unusually diversified and extended, yet even then, had my residence been at the Capital, I could have given much more attention to the ordinary business of the Executive office which, owing to absence, I was compelled to entrust to others. My own experience, therefore, as well as general observation, have impressed

me with the importance of this addition to the office of Governor, and I can not therefore too strongly urge it upon your attention.

PUBLIC LANDS.

The report of the Register of the State Land Office will furnish the General Assembly with an accurate and comprehensive view of all matters connected with the several grants made by Congress for the benefit of the State.

Since the former report from that department was submitted, there have been patented to the State, under the several grants for educational purposes, 67,979 acres of land, all of which has been sold and patented by the State to individual purchasers. The claims for Swamp Land and Indemnity, filed by the different counties, are being earnestly pressed before the proper department at Washington, and I am able to assure you that they are gradually approaching a final and favorable adjustment. During the last biennial period, and up to the date of Col. Carpenter's report, the State has received, under the Swamp Land grant, patents for 247,947 acres, and since the date of said report patents for 42,720 additional acres have been received at the Executive office. These lands have all been patented to the proper counties, in pursuance of law and of the grant made by the State.

It will be observed that questions of an intricate and somewhat vexatious character, arising from adverse claims to lands embraced within the respective limits of the railroads and Des Moines River grants, remain unadjusted, and are likely to produce still further conflicts between these rival grantees and those who claim by purchase from them. But, as the settlement of these various and conflicting claims involves the adjudication of legal questions, and a judicial interpretation of the Acts of Congress under which these grants were made, it is obvious that legislative action, however prudently devised, will contribute but little towards their ultimate determination.

RAILROADS.

While some of the railroad companies organized under the various land grants made by the State, have failed in many respects to comply, even substantially, with the conditions of their grants, yet, in view of the many difficulties which have confronted their efforts

heretofore, and the assurances now given of an earnest and vigorous prosecution of their respective enterprises, we shall, in my judgment, be fully justified in the exercise of still farther leniency toward them.

It is manifestly the part of wisdom to encourage and assist, by well conceived and liberal measures, the prosecution of these needed enterprises in our State. Any system of legislation therefore tending to their discouragement, should be avoided, unless clearly demanded by considerations promotive of the public good.

I regret, however, that I am unable, with due regard for the public interest, to approve the conduct of the Dubuque and Sioux City Company, or commend their transactions to your favorable attention.

Under the provisions of the Act adopted by the General Assembly, at its extra session (in July, 1856) this Company became the beneficiary of the grant designed to secure the construction of a rail road leading from Dubuque to Sioux City, and this valuable donation was accepted from the State with all the terms and conditions imposed. A large portion of this grant has already been absorbed by the company, in various ways, by pretended sales and incumbrances. This road has been constructed to Iowa Falls, a distance of 143 miles from Dubuque, but I am unable to discover any reliable evidence of earnest intention on the part of this Company, to construct the line to its terminal point on the Missouri river.

The General Assembly need not be reminded that the development of the extensive and fertile region west of the Iowa river, would be greatly accelerated, and the State largely benefitted, by the early construction of this road as originally contemplated. It becomes our duty, in the judicious exercise of conceded authority over the subject, to so provide that the unappropriated portions of this grant shall be faithfully applied to the early completion of that enterprise. As the present company can not pretend to have complied with any essential conditions of their grant, their past derelictions and evidences of bad faith have been such as to preclude confidence in any assurances they may offer for the future.

I therefore earnestly recommend that the General Assembly pass an act, resuming to the State the control over these lands, and that they be held by State authority for the benefit of some responsible company that will prosecute this work to its final termination.

PUBLIC SURVEYS.

The surveys of the State have been entirely completed; and the office of Surveyor General discontinued by the United States. The possession of the various surveys, field notes, maps and other records of that office by the State, is of great value for purposes of general reference and public information; and is almost indispensable to the accurate performance of the duties of the Register of the State Land Office. These archives can not be turned over to this State until the General Assembly shall by law have provided for their reception and safe keeping, and for free access to them by the authorities of the United States.

In view of the great importance of these documents, I would urgently recommend that the State at once properly accept the custody of these surveys and records, and suggest the Register of the State Land Office as the proper person to be made custodian, and his office as the most desirable place of deposit.

GEOLOGICAL SURVEY.

The reports for the years 1866 and 1867 of the State Geologist and assistants, comprising also copies of the articles communicated from time to time to the papers of the State, have been received and will be laid before the General Assembly. The State Geologist has conducted the labors assigned him with praiseworthy energy and faithfulness; and, although his work, on account of its scope, is only partially performed, yet it has already developed practical information of great value to the people of the State. Whatever tends to open up and make known in an authoritative and reliable form the resources of Iowa, should receive your careful attention.

I recommend that a new appropriation be made, and that Dr. White be instructed to complete the geological survey as already inaugurated, by December, 1869, and prepare in due form a full and accurate report for publication.

MISSISSIPPI RIVER IMPROVEMENT.

I am officially advised by Major-General J. H. Wilson, engineer in charge of the Mississippi River Improvement, that, in prosecuting this enterprise, it will be necessary to enter upon and appropriate real estate, owned by individuals, bordering upon the river.

The only restriction, imposed by Constitutional provisions, upon the taking of private property for public use, is the requirement that just compensation shall be made or secured therefor to the owner. I am unable to discover any law of this State applicable to the case, and without some legal mode being provided, authorizing the accredited agents of the United States to use and appropriate the land required, unnecessary delays may occur in the prosecution of the work. In order, therefore, to avoid the likelihood of any hindrance in the advancement of this great enterprise, from the want of proper State action, and to relieve these agents from the necessity of perplexing controversies with individuals, I respectfully recommend the early enactment of a law, authorizing the United States to appropriate private real estate along the Mississippi River, to the extent of 1,500 feet therefrom in width, when required in aid of said improvement, and determining the mode of assessing the damages by jury, the United States paying or securing the compensation awarded to the owners, before using the property condemned.

Improvements designed to enlarge the avenues of commerce and equalize its advantages, are, at all times, considerations of such vital and universal importance to the country, that a more extended and explanatory view of this great enterprise may not be deemed out of place in this communication.

The only serious natural impediments interposed to the navigation of the Mississippi River, between St. Paul and New Orleans, exist along the borders of Illinois and Iowa in the form of what is known as the Des Moines and the Rock Island Rapids. These rapids, though quite dissimilar in their formation and general characteristics are so developed as to render the navigation of this great stream, at certain seasons of the year, exceedingly hazardous and sometimes impossible for boats of ordinary tonnage. By reason of these obstructions the Northwestern States especially, are deprived of the inestimable advantages which this great commercial highway would otherwise afford. By removing these obstructions a safe and uniform medium of transit would be opened to the commerce of these States, from St. Paul to the Gulf of Mexico. The

annual productions of this vast agricultural region, so largely in excess of local demands, would thereby secure a cheap and reliable mode of transportation to the markets of the Atlantic seaboard. To what extent the agricultural interests of the entire Northwest would be promoted by this inter-state achievement, I need not undertake to show; indeed, its real magnitude, viewed with reference to the future, surpasses all computation. In my judgment the period has arrived when the substantial interests of this portion of the country require some system of transit-facilities, whereby the enormous cost of transporting agricultural productions may be essentially reduced. The injudicious and discriminating system of railway tariffs now existing, is the subject of almost universal complaint, and by some is regarded as the most effectual means that ingenious selfishness can devise, for subordinating the proceeds of industrial pursuits to the interests of an imperious monopoly. And the people of these producing States, unless blind to their own welfare, will readily embrace that mode of transmission which imposes the lightest tax upon their productions. The profit realized by the producer is measured by the difference between the actual cost of production, and the price obtained for the commodity, after deducting therefrom the amount expended in getting it to market. It is obvious, therefore, that every dollar which the farmer pays in transport duties diminishes to that extent, the real value of his product, and augments, in like proportion, the amount of his inert capital. The sum expended in transportation, curtails the profits of the producer, and increases the cost, without enhancing the value of the product, to the consumer. The different modes of transportation being questions of relative waste or loss, considerations of economy require the adoption of the cheaper and equally available mode.

A reference to well ascertained facts, will afford us much light in solving this question. The cost of river transportation does not exceed $2\frac{1}{2}$ mills to the mile for a ton of average freight, ocean $1\frac{1}{2}$, lake 2, and canal 5, while that of railway ranges from 12 to 14 mills per mile. The loss to the producer in transportation by water, being so materially less than that by rail, most clearly recommends the former as the superior mode, whenever accessible. This comparison also

discloses the fact, that the agricultural productions of this State can reach New York City at cheaper rates by river and ocean transit, than by railroad, lake and canal; and when the intermediate delays of transshipment are considered, it may not be inaccurate to assume that the latter is also a less expeditious route.

Nor is this the only or most important consideration involved. Being deprived of the advantages of continuous river transportation, the farmers of Iowa are practically excluded from the desirable markets of St. Louis and New Orleans, and deprived of the advantages which a more intimate commercial intercourse with those great cities would afford.

The most practical remedy for existing complaints will be found in the establishment of rival transit lines, and the choice of competing and equally available markets.

Commencing in the year 1829, five different surveys of these rapids have been made by engineers detailed from the military service of the United States, and acting under orders and instructions from the War Department. These surveys, though of a general character, served to develop the extent of the obstructions, and to confirm the idea that they could be permanently removed. The most thorough and scientific survey yet made is the one recently conducted by Gen. J. H. Wilson, the accomplished engineer in charge of the work.

A brief description of the character and extent of these obstructions, may serve to illustrate the feasibility of the present undertaking to remove them. The Rock Island Rapids extend from the city of Davenport to Le Claire, a distance of $14\frac{1}{4}$ miles, developing a fall of about 21 feet between these points. The obstructions here presented consist mainly of a series of reefs or chains of solid rock, with navigable spaces between them.

Such being the character and extent of these obstructions, the mode adopted for removing them is, by excavating the rock from these reefs to an extent sufficient to procure a channel of two hundred feet in width, with a low water depth of not less than four feet, which will be sufficient for the safe passage of boats, with their barges attached, during the entire navigating season. These exca-

ventions are effected by means of coffer dams, chisel boats and subaqueous blasting. This work will require the removal of about 57,000 cubic yards of solid rock, at an aggregate cost of \$813,000.00. For this purpose Congress appropriated, in 1866, \$100,000, and in 1867, \$200,000. The contract for this work has been entered into, and if Congress makes the additional appropriation required, it will be completed during the summer of 1869.

The Des Moines Rapids extend from the city of Keokuk to Montrose, a distance of eleven miles, with a fall of twenty-one feet. These rapids are formed by a succession of reefs, or chains of rock, with only short intervals or "pockets" between them, and they form, during the low water season, a serious, and, at times, an absolute barrier to navigation. An attempt to establish a channel here for the passage of boats by excavation, as at the upper rapids, was deemed utterly impracticable. For the improvement of these Rapids, therefore, the plan of a canal on the Iowa side was adopted. The proposed canal will be established in the bed of the river, except at two or three places where it will be necessary to make cuts through projecting points of land. The embankment on the river side will be protected by a "rip-rap" wall, and will be raised through its entire length two feet above the high water mark of 1851. When completed, this canal will have the capacity for floating the largest river steamers at any season of the year.

The estimated cost of this work is \$2,100,000, of which Congress appropriated in 1866 the sum of \$200,000, and in 1867, \$500,000, and if the required amount is provided, General Wilson expresses the opinion that the entire work will be completed by the month of July, 1869.

It is hoped that Congress will not fail to make the additional appropriations required, to complete these improvements. I trust the importance of this great work will not be overlooked by the General Assembly, and, that we may aid in its advancement, I recommend a memorial and joint resolution to Congress, urging an immediate appropriation to complete the work.

I indulge the anticipation, that, in our day, this great national artery will teem with the commerce and carrying trade of the

mighty States which border upon it. I hope to see magnificent cities, with their extended and ever-increasing commerce, flourish on its banks. And what people have a higher claim to the full advantages of this noble river, than they, who during the great war, bravely covered it with the national emblem, and crimsoned its waters with their blood!

AGRICULTURAL COLLEGE.

The Agricultural College building is nearly completed. This structure, in its architectural designs and mechanical execution, is one of the most imposing and substantial in the State. An appropriation will be required to furnish and prepare it for use. The farm should also be stocked and greatly improved. I recommend a liberal appropriation for the purpose of thoroughly testing by an experimental orchard the kinds of valuable fruits that may be grown in the State, and the most feasible and economical methods of cultivation.

We must not hesitate to do what is required to put this institution into practical operation. When this shall have been done, its rich endowment will be sufficient to continue and sustain it. The Board of Trustees will submit their report in due time for your information, rendering the giving of details, on my part, unnecessary.

STATE HISTORICAL SOCIETY.

The officers and members of the State Historical Society, whose report will be submitted, have labored with great care and commendable zeal in collecting and preserving facts and relics of various kinds for the purpose of completing and perpetuating the history of the State. This valuable labor has been performed under serious disadvantages for the want of that assistance which, in my opinion, it was the duty of the State to render. Its operations have so far been conducted by individual enterprise, and to a great extent by private means. If this Society, is to be regarded as a State institution, it is necessary, in order to promote its efficiency, that it be taken under State control and furnished with needed and appropriate aid.

CONSTITUTIONAL AMENDMENTS.

I transmit for your action the joint resolution of Congress, adopted June 16th, 1866, proposing to the Legislatures of the several States a "Fourteenth Article to the Constitution of the United States."

This proposed amendment embraces considerations of vast importance to the peace of the country; and is designed to secure in a more permanent form the dear bought victories achieved in the mighty conflict carried on by the loyal men of the country for the preservation of the American Union. A large number of the States have already ratified the proposed Article; and the decision of the General Assembly of this State is now required, and I recommend that it be promptly and affirmatively given.

I discover on examining the Act, (chapter 101, Acts of 1866,) proposing to the present General Assembly the pending amendments to the Constitution of this State, and prescribing the manner of publishing notice thereof, that grave doubts exist as to its regularity.

The Constitution, Section 1, Article 10, requires that three months' notice of a proposed amendment, be published "*as provided by law.*" In the enrolled bill, which submitted it, and which required the Secretary of State to publish the proposed amendment in one paper in each Congressional District in the State, the enacting clause, which our Constitution requires all laws to contain, was inadvertently omitted. In my opinion the validity of the Act and of the notice published in obedience to it, admit of most serious doubts, and you may find it necessary to re-submit the proposition of the last session. The question thus presented should be carefully considered before any law is adopted by the present Legislature, finally submitting the proposed amendments to a vote of the people.

I feel assured, however, that you will not falter upon this great question of popular rights, as I shall not myself; and I know the people of Iowa will not take any backward step, or permit their flag to be lowered.

OPINION OF JUDGES.

The Legislative and Executive departments of the State govern-

ment are not unfrequently required, in the performance of their functions, to act upon matters important to the public interest, where grave questions of constitutional or statutory law are involved. The embarrassment experienced in such cases is greatly augmented by the fact that the immediate action of the department is required, when an error of judgment, in the legal questions concerned, may result in much detriment, both to public and individual rights. As the law now stands the members of the judiciary are not authorized to render any opinion upon questions, unless in the adjudication of a case regularly brought and submitted. To obviate these difficulties, some mode must be provided for a resort to judicial assistance in a manner that will render it authoritative upon the questions involved.

In many other States their constitutions provide that "the justices of the Supreme Court shall be obliged to give their opinion upon solemn occasions, when required by the Governor, Council, Senate or House of Representatives."

This provision has been thoroughly tested in States where it prevails, and their experience has amply demonstrated its wisdom and utility. By this means also, much uncertainty and expensive litigation might be avoided in settling the constitutionality of legislative enactments. In the absence of any provision in the Constitution on this subject, I entertain no doubt that you have power to pass a law establishing such a regulation, and earnestly recommend that it be done.

COURTS.

The attention of the General Assembly is respectfully invited to the importance of introducing some material change in the structure of our judicial department, whereby the increasing business of the present Courts may be curtailed, and the prompt administration of justice more perfectly secured.

The Constitution wisely provides that courts, inferior to the Supreme Court, may be established from time to time by the General Assembly. An additional court of common law jurisdiction, in the more populous portions of the State, has become necessary for the speedy administration of justice, and the vindication of individual rights. To meet the present requirement, a change can

be made in the organization of the County Court, making it a Court of Quarter Sessions, giving it appellate jurisdiction in causes determined before justices of the peace, and such additional jurisdiction concurrent with the District Court as you may deem it expedient to confer. This provision should be limited in its application, to counties above a prescribed minimum population. The objection that the judges of the County Court are not generally chosen with a view to the performance of judicial duties, would probably cease after the Court itself is thus reconstructed. Should this plan meet your approbation, it would be advisable to so provide that the new system will not go into operation until the close of the present year, and afford the people an opportunity at the ensuing fall election to select judges with reference to the increased duties and responsibilities of the new Court.

COUNTY AUDITOR.

Concurring with the Auditor of State in the opinion that a change can be made in the present system of county government, which will conduce to greater accuracy and dispatch in the transaction of local business, and also render more satisfactory the fiscal relations which must always exist between the State and the counties, I recommend that a law be passed establishing the office of Auditor in all counties having 15,000 inhabitants and upward. The incompatible duties now imposed upon the Clerks of the District Court, rendered onerous and exceedingly complicated in the populous counties, cause much delay and sometimes fatal errors in important matters pertaining to the public revenue.

REVENUE LAW.

Under our present revenue law, and the generally loose manner of its execution, opportunities are afforded for withholding a large amount of concealed capital from the tax lists. To a great extent, monies and credits are not faithfully returned to the assessors, and thereby much of this class of property escapes its full share of taxation. In this manner, it can not be denied, frauds are perpetrated upon the State and local revenues. This system of abuse can, in my judgment, in part be avoided. The law should be

so amended as to require the assessor to take the affidavit of every person whose property is enlisted; and return the same with the tax lists as evidence for all purposes, civil and criminal. The County Treasurer should also be required, upon information received that a false return of property has been made, to summon the party before him for examination under oath, and also to take other testimony, and decide the case according to the facts. It should be the duty of the Treasurer to do this, under a severe penalty for its omission. Such a law would doubtless produce beneficial results. Capital should not be permitted to assume any form or take any direction that will shield it from a just and equal share in the burdens of government.

REGISTRY LAW.

The attention of the General Assembly has frequently been invited to the importance of a well devised registry law, whereby increased regularity may be imparted to our electoral system, and the perpetration of frauds prevented. The purity of the elective franchise is essential to the stability and perpetuation of Republican government; and while the elective privilege should be impartially distributed, its exercise may and should be defined and regulated by statutory enactments calculated to preserve it from abuse. I therefore repeat the recommendations heretofore made, and urge the adoption of such a law.

ADJUTANT GENERAL'S OFFICE AND REPORT.

In December last, on the completion of the State Arsenal at Des Moines, I directed Adjutant General Baker to remove his office with all the property thereunto belonging, to the Capital. This building has cost some \$4,000 more than the special appropriation made for its erection, although the Commissioners have performed their duties faithfully and economically, and constructed the only fire-proof building belonging to the State. I recommend that an appropriation be made sufficient to meet this deficiency, and also to put the Arsenal and grounds in proper condition.

The report of the Adjutant General for the past year, containing the finale of the history of Iowa soldiers, and necessary to complete

our record of the war, has been made to me, and will be duly submitted for your inspection. I recommend that this valuable document be printed and a sufficient number of copies ordered to supply all proper demands. The affairs of this office, from the beginning of the late war to the present time, have been conducted with distinguished ability, and have reflected great credit upon the officer in charge.

CONCLUSION.

Other subjects I might have presented, but space will not permit. What has been omitted, however, your individual intelligence and collective wisdom will readily supply.

Accepting this high office at a critical juncture in public affairs, the duties which devolved upon me were grave and difficult. In the discharge of these duties I have endeavored to advance the public welfare, and my conscience acquits me of any motive incompatible with the honor of the State. Whatever errors may have occurred are mitigated by the reflection, that the State has emerged from its vicissitudes, and enters upon a new period, with its finances and institutions unimpaired, with a name high on the roll of fame, and its people prosperous and contented. With these auspicious omens to cheer us, and no cloud above, the helm passes to another.

In a broader field great events have transpired. The power of treason has been crushed, although its spirit still lingers in the land. Freedom has been exalted, and a gigantic nation redeemed. From shore to shore of the great Oceans, from the Lakes to the Gulf, strong arms and resolute hearts are uniting to strengthen the institutions of liberty and perpetuate a government which their valor and blood have defended.

Will this nation pause at the threshold of destiny, and forget its noble army of martyrs? Shall the progress of the revolution started amid the carnage of war and the agonies of men, be thwarted by a perfidious arm? Iowa answers, with a voice emphatic as the thunder of her guns: No!—NEVER! NEVER!

As there is but one Throne before which all can bow, so may there exist but one form of government for all, extending its blessings, under the providence of God, until they encircle the whole brotherhood of man.

WILLIAM M. STONE.

INAUGURAL ADDRESS

OF

HON. SAMUEL MERRILL,

GOVERNOR OF THE STATE OF IOWA,

TO

BOTH BRANCHES OF THE GENERAL ASSEMBLY,

TWELFTH SESSION,

JANUARY, 1868.

DES MOINES:
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