APPENDIX

TO

Journals of Senate and Assembly

OF THE

TENTH SESSION

OF THE

LEGISLATURE OF THE STATE OF NEVADA.

CARSON CITY:

J. W. MADDRILL, : : : SUPERINTENDENT STATE PRINTING.

1881.

FIRST BIENNIAL MESSAGE

OF HIS EXCELLENCY

GOVERNOR

JOHN H. KINKEAD,

TO THE

Legislature of the State of Nevada,

TENTH SESSION, 1881.

CARSON CITY, NEV.:

STATE OFFICE: : : : J. W. MADDRILL, SUPT. STATE PRINTING.

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MESSAGE.

STATE OF NEVADA, EXECUTIVE DEPARTMENT,
CARSON CITY, January 4th, 1881.

GENTLEMEN OF THE LEGISLATURE:

In submitting this, my first biennial message, I take occasion, in the beginning, to call your attention to a proposed amendment to the State Constitution, passed by the last Legislature, the adoption of which by you, and ratification by the people, will very much facilitate the business of succeeding Legislatures, and afford great relief to the Executive Department. I refer to the amendment fixing the date of the assembling of the Legislature on the first Monday of February instead of the first Monday of January, as now established. No careful scrutiny of the reports of the several State officers to the Executive is now possible. The fiscal year ended December 31st, 1880. Obviously but general statements can be presented. For details you must be referred to the reports of the several State officers, some of which can hardly reach you in printed form before the 1st of February. The pending amendment will obviate this now necessary delay, and will involve no change in the present revenue system. I, therefore, earnestly recommend its adoption by your honorable bodies.

The State in general is reasonably prosperous. Crops have been good. Our grazing interests are equally as remunerative as in the average of previous years; our resources are being developed steadily and surely; railroad communication has been, and is being, extended into remote sections; new roads are projected, and will doubtless be constructed in the near future, which will greatly aid in the development of our almost limitless mineral resources, and increase in corresponding degree our material wealth.

The health of our people has been exceptionally good. We have passed through the excitement of a Presidential election without serious disorder. Peace and quiet have reigned within our borders during the past two years, with the exception of slight troubles in Eureka County, in August, 1879. There a formidable organization threatened the majesty of the law. The county authorities appealed to me for assistance; the Second Brigade was ordered to hold itself in readiness to assist the civil authorities; some trouble ensued, but

was quelled by the civil officials, the fact that the military were ready to coöperate with them doubtless contributing materially to the prevention of the impending riot. In this connection I desire to commend the promptness and earnestness with which Brigadier General George M. Sabin, and the officers and men under his command, responded to the call of the Executive. Our Indian population is quiet and peaceable, and, in my judgment, no fears can reasonably be entertained from that source. The reservations provided by the Government for the Piutes and Shoshones are ample, and, from all the information I can obtain, are in a flourishing condition. The Washoes, harmless and peaceable as they are, and always have been, have never had any aid from the Government. One of their main articles of subsistence, the pine-nut, is rapidly disappearing, owing to the use of the trees by the whites in mining and for fuel; and I respectfully submit for your consideration the propriety of memorializing the Indian Department for a small annuity in their interest.

Your session and action will have a very important bearing upon the future welfare of the State. We have undergone, during the past two years, a season of great business depression, owing to the reduced product of our mines. That this depression will be of limited duration, I am fully convinced. It will, however, be necessary to curtail in every reasonable way the current expenses of the State, and to determine the best methods of providing for the support of the State Government for the ensuing two years. In all proper measures looking toward economy, retrenchment, and reform, you will have the hearty coöperation of the Executive Department.

FINANCES.

The following synopsis will give you the general condition of the State finances at the close of the fiscal year, December, 31, 1880:

Balances in the several funds after deducting all outstanding warrants:

General Fund	$175,902 33
State School Fund	95,716 80
General School Fund	14,041 03
State Interest and Sinking Fund	207 60
State Library Fund	952 10
Soldiers' Fund	8 38
State Building Fund	3,671 99
State University Fund	6,419 04
Territorial Interest Fund	13,149 74
University Fund—90,000-Acre Grant	$12,400 17
Total	$322,469 18

GENERAL FUND.

Into this fund is received all the revenue which is available for the general expenses of the State Government. From it is paid the cost of maintaining the State Prison, care of the insane, Orphans' Home, expenses of the Legislature, special appropriations, reliefs, salaries of Supreme Judges, State officers and all current expenses of the State Government proper. The special funds created for the payment of the public debt, the school funds, etc., etc., are provided for either by a special apportionment of the tax levy, derived from the sale of public lands, or in other methods. The money thus derived is not subject to expenditure save for the particular purposes designated. It is, then, to the General Fund that your attention should be especially directed. The other funds will, so to speak, take care of themselves.

On the 1st day of January, 1879, there was in the Treasury, belonging to this and its auxiliary and dependent funds $446,501 74; that is to say, there was at that date, subject to legislative control or appropriation for general purposes, the sum just named.

The expenses of the last Legislature were	$77,865 52
The amount appropriated for deficiencies was	21,623 21
The amount appropriated and expended for reliefs, purchase of grounds, improvements, water right, etc., and which may be classed as extraordinary expenses, aggregated	51,671 64
Leaving on the adjournment of the Legislature and the settlement of the various claims, as net balance for the general expenses of the State Government for two years, plus the amount received into the General Fund from taxation, the sum of	295,341 37

The receipts into the General Fund (exclusive of amount received from revenue of State Prison) in the year 1879 were as follows:

From property tax	$97,168 20
From bullion tax	25,561 32
From poll tax	31,841 73
From licenses and other sources	21,507 43
Total for 1879	$176,078 68

The disbursements were as follows:

For salaries and general expenses	$117,766 93
For State Prison (net)	47,254 68
For care of Insane	49,614 80
For Orphans' Home	17,774 58
Total disbursements	$232,410 99
Leaving a balance, January 1, 1880, of	239,009 06

The receipts in the year 1880 were as follows:

From property tax	$89,280 00
From bullion tax	20,679 19
From poll tax	22,731 40
From licenses, etc	18,553 87
Total receipts General Fund, 1880	$151,244 46

The disbursements in the year 1880 were as follows:

For salaries and general expenses	$106,766 05
For State Prison	51,987 39
For care of Insane	40,385 20
For Orphans' Home	12,225 42
Total disbursements	$211,364 06
Leaving as balance, December 31, 1880	178,889 46

There are deficiencies in the amounts appropriated by the Legislature of $28,198 56, leaving $150,690 90 now on hand and applicable to the general expenses of the State Government. Besides this there is $3,538 24 in the Building Fund, which, by the passage of a law, may be transferred to the General Fund.

It will be seen that the amount of receipts applicable to general disbursement for the year 1879 was $176,078 68. The disbursements were, including legislative, deficiencies and extraordinary expenditures, $383,571 36, or, without including them, $232,410 99—a sum above receipts from taxes, etc., in the first case of $207,492 68, and in the last of $56,332 31. In 1880 the receipts as above were $151,244 46; the expenditures, $211,364 06; a deficiency of $60,119 60. It will be your duty to devise means both to enlarge the revenue to meet the necessary expenses of the State Government and to reduce the cost of its support to the lowest minimum consistent

with capable and effective service. In 1877 the revenue received into the General and its auxilliary funds, exclusive of receipts from State Prison, was $518,020 46. In 1878, $404,582 27. The expenses of the State Government have not materially varied, being, however, somewhat less during the past two years than those preceding. The causes which have combined to produce this remarkable diminution of the revenue can be briefly summarized as follows:

First—The vast decrease in the bullion product of the State, amounting to a shrinkage in revenue from this alone of $436,566 31 below the receipts of the preceding two years.

Second—The depreciation of property values, real and personal, consequent thereon.

Third—The decrease of revenue from gaming licenses under the law passed by the last Legislature, and

Finally the reduction of the tax levy from ninety cents to fifty-five cents on the $100.

The most material shrinkage of assessable values has been in the net proceeds of the mines. In the year 1877 the value of this species of property upon which taxes were levied aggregated $26,728,722 52, of which $172,400 26 in taxes belonged to the General Fund. In 1878 the valuation was $17,405,681 86, of which $112,266 64 belonged to that fund. In 1879 the valuation was $6,496,432 04; General Fund, $27,285 02. In 1880 the valuation was $3,856,-707 12 (fourth quarter estimated); General Fund, $16,198 17. This enormous depreciation of the bullion product has directly affected other property valuations and other sources of revenue. There is just now no good reason to apprehend an immediate or large increase of revenue from the tax on bullion product. The revenue for the support of the State Government must, for the present, at least, be largely, if not almost entirely, derived from other sources. The Controller will submit for your consideration his estimates both of receipts and expenditures for the next two years. It is clearly apparent that the tax levy must be increased. I do not, however, think it wisdom to very largely increase the rate in the present depressed condition of business. It would, in my opinion, be better to pay a small interest on the present needs of the State, and await, what we soon will have, renewed prosperity. It was the judgment of some of the ablest and most conservative members of the last Legislature that the sweeping reduction of the tax levy then made was unsafe and ill-advised. The result is before you. While the people have had the benefit for two years of a very low rate of taxation for State purposes, the consequence is, that at the end of your session the surplus which had accumulated during prior years of higher taxation and much greater valuations, together with the receipts of the past two years, will have been practically exhausted, and the Treasury be without means of paying current expenses during the present year. It will be necessary to borrow money to keep the State upon a cash basis until the revenues for 1881 are collected and paid in. The major portion of the revenue is received in December. Until that time provision should be made for current expenditures.

Whether the benefits arising from a very low rate of taxation for two years have justified the result attained thereby is a question upon which there is room for difference of opinion. In my judgment, they fall far short of equaling the disadvantages resulting. It should be remembered that, to keep the State Government upon an actual cash basis, there must always be nearly one year's revenue in advance in the Treasury; that is to say, as the larger portion of the revenue is not received until December, there should be a surplus on the 1st of January of each year sufficient to meet the liabilities of the State until the revenues for that year are collected and paid into the Treasury. There can be no question as to the economy of cash payments, even if money must be borrowed. The credit of the State is such that its bonds can be sold at par, while bearing much less than the rates of interest current in the State. With the scrip of the State afloat, and at a discount, all supplies required for the State Prison, Orphans' Home, etc., must be obtained at higher prices. Merchants cannot afford to sell goods and wait months for their pay, unless compensated for the delay. The ruling rate of interest will at least be added, which, as I have said, is much more than the State need pay upon its credit.

There is now in the State School Fund, subject to investment, about $100,000. This money can, under the Constitution, be invested in but two ways—either in United States bonds, or in securities of this State. The only Government bonds obtainable bear four per cent. interest, and are now at a premium of over eleven per cent. in market. It would therefore be a beneficial investment for the School Fund to take $100,000 of our State bonds, bearing four per cent. interest, at par. The issuance, in addition, of $100,000 six per cent. bonds, which I am sure can be negotiated at par, will carry the State through the year upon a cash basis. These last bonds need not be issued or negotiated until six months hence. It is for you, as I have said, to devise means for such an increase of revenue as will provide for the support of the State Government thereafter.

REFUNDING OF TERRITORIAL DEBT.

An Act was passed by the last Legislature providing for the purchase or redemption of the outstanding Territorial bonds for the benefit of the State School Fund. The Act provided for the purchase of all outstanding Territorial bonds at such a rate of premium as would guarantee to the purchaser four and a half per cent. per annum interest upon the amount paid, during the life of the bonds so purchased. The bonds surrendered were to be retired and canceled, and in their stead an irredeemable bond for $380,000, bearing interest at five per cent. per annum, was authorized to be issued for the benefit and as an asset of the State School Fund. The provisions of the law have been carried out by the Commission thereby created. Under its authority all the outstanding Territorial bonds have been redeemed and canceled, and there is in the State School Fund the $380,000 irredeemable five per cent. bond authorized to be

issued in lieu thereof. For a detailed statement of the transactions involved, you are respectfully referred to the report of the Commission.

STATE BONDS.

Under provisions of an Act passed by the last Legislature $104,000 of our State bonds held by the State School Fund have been redeemed and canceled. For particulars of the transaction, I refer you to the report of the Commission created by the Act. The total amount of State bonds now outstanding is $56,400, with accruing interest for six months at ten per cent. per annum, payable, by the terms of the Act authorizing their issue, April 1, 1881. To provide for the payment of these bonds there is now in the Treasury, to the credit of the State Interest and Sinking Fund, $50,000 in bonds of the State of California, with accrued interest thereon amounting to $2,250, and $207 60 in money.

It will be necessary for you to appropriate the sum needed to pay the balance due upon these bonds. Their surrender and cancellation will obliterate all outstanding liabilities of the State, except what it owes to its own School Fund.

RAILROADS.

The great need of Nevada is cheap and facile transportation. Our State is rich in resources, mineral and agricultural, but its valleys are hedged in by mountain ranges, and distance from market renders both the products of mountains and valleys, in many localities, practically valueless. Cheap and ample transportation will remedy this drawback to the development of our resources.

Railroads, particularly narrow-gauge railroads, will solve the problem, and enable the farmers, stock-raisers and miners of the State to put in market their productions. Local railroad building should be encouraged. Capital should be invited to investment therein and guaranteed protection. No sentiment of opposition to the extension of such roads should be harbored or encouraged. The State has absolute control over its public domain. It controls its highways. It is empowered to protect its people against any and all forms of extortion by companies to whom it grants charters, and its Legislature can at any time reduce or limit fares and freights to a just and equitable basis. It can provide against and prevent unjust discrimination by carriers, and, in short, stand as arbiter between the natural aggressiveness of corporations upon the one hand and the unjust demands of communistic influences upon the other. Every facility should be given and all proper encouragement extended to the extension and enlargement of transportation facilities. I am not in favor of railroad subsidies. It is my judgment that the field open to railroad building in Nevada offers ample security for profitable investment. Such reasonable profits should be guaranteed—that is to say, there should be stimulated and encouraged a feeling among our citizens that, as in other investments, the investor is entitled to

a fair remuneration for the use of his capital. Only this—no more. Properly managed, with due safeguards against extortion and discrimination between persons and localities, railroads are not only the greatest factors in material development, but have become a necessary adjunct to prosperity.

During the past two years the attention of capitalists has been directed to the advantageous openings for railroad building offered by our location and productions. The result has been the construction and equipment of a narrow-gauge road from Battle Mountain to Austin, ninety miles in length, the projection, survey and partial equipment and completion of a narrow-gauge road from Mound House to Hawthorne, on Walker Lake, a distance of 106 miles, and the projection and partial survey of several others, some of which will undoubtedly be constructed during the present year. This means an addition to our taxable property of the amount invested, cheaper, more efficient and easier transportation, and the speedy development of the resources of the country through which the several lines extend. Its result can but be beneficial to the State, and if the roads so projected and operated shall be found to be profitable as investments, new roads will be surveyed and constructed and material additions made to the property valuation of the State. No cases of discrimination between shippers or other violations of the stringent provisions of the bills passed by the last Legislature have come to my knowledge. I think it is the intention, as it is to the permanent interests of our local railroad corporations, to deal fairly with the public. This being so, they are entitled to fair treatment and moderate profits. You have it in your power to investigate the management of these roads and to satisfy yourselves whether their charges are such as to guarantee more than a just return for the services performed and capital invested. It is your duty to do this with fairness and impartiality.

While thus urging all proper encouragement to the building of local railroads, necessary in my judgment for the development of our resources, I must call your attention to the constantly increasing cry of our people for some relief from the heavy burdens imposed upon them by the Central Pacific Railroad in the matter of freights and fares. In every State of the Union, excepting alone our State, concessions and reductions in prices of transportation, etc., have been made. We are the only exception, and that, too, in the face of a large and continuous increase in the traffic of the road through our State. Earnestly hoping that in your wisdom you may find some measure of relief for our overburdened people from the extortions of this company, I leave the subject matter in your hands.

STATE BOARD OF EQUALIZATION.

The passage of an Act creating a State Board of Equalization has been strongly urged by the Executive of this State in previous messages. The subject has been ably presented and discussed both by my predecessor in his biennial messages of 1875 and 1877 and by the

State Controller in his report for the year 1874. To those documents and to the report of the present Controller your attention is respectfully directed. Bills for the creation of such a Board have been introduced in preceding Legislatures, but meeting with strenuous opposition from railroad corporations, failed of passage. I earnestly recommend the enactment of some measure that will comply with the provisions of the State Constitution, which declares that "a uniform and equal rate of assessment and taxation" shall be provided by law. As showing the incongruous and inconsistent results of the system of valuation now in use, to-wit.: that by County Assessors and County Boards of Equalization, the following tables, compiled from the reports of the several County Auditors for the present year, will be found of interest, and, I hope, profit:

ASSESSMENT VALUATION C. P. R. R.—MAIN TRACK.

County.	No. Miles.	Rate per Mile.	Amount Assessed.
Washoe	$52\frac{3}{10}$	$9,000 00	$470,700
Lyon	$11\frac{1}{2}$	6,000 00	67,500
Churchill	$29\frac{1}{4}$	6,000 00	175,500
Humboldt	$144\frac{1}{2}$	6,000 00	867,000
Lander	$26\frac{7}{10}$	12,000 00	320,400
Eureka	$35\frac{1}{2}$	9,000 00	319,500
Elko	$152\frac{1}{2}$	6,000 00	915,000
Total	452	$6,937 16	$3,135,600

ASSESSMENT VALUATION C. P. R. R.—SIDE TRACK.

County.	Number of Miles.	Rate per Mile.	Amount Assessed.
Washoe	$7\frac{1}{2}$	$6,000 00	$45,000
Lyon	$\frac{20}{33}$	4,991 25	3,025
Churchill	$\frac{146}{270}$	5,422 70	3,800
Humboldt	$5\frac{33}{50}$	4,946 99	28,000
Lander	1	5,000 00	5,000
Eureka	$1\frac{7}{10}$	5,000 00	8,500
Elko	11	4,146 36	45,610
Total	$28\frac{887}{2100}$	$4,932 57	$138,935

Even greater discrepancies exist between the valuation of the Central Pacific Railroad and the Virginia and Truckee Railroad in

the counties through which they both pass. The rate of assessment fixed by the California Board of Equalization for the year 1880 on the Central Pacific Railroad is as follows:

On franchise per mile	$2,000
On roadway, road-bed and rails	11,800
On rolling stock	6,464
Total	$20,264

Or on the 604 miles in that State, $12,239,456. The main track is assessed at $11,000 per mile. The side track at $4,000 per mile. The aggregate value of the side track is ascertained and added pro rata to the main track valuation per mile. On County Assessors under the California law is imposed but the duty of valuing depot buildings and real estate situate in their respective counties. Whether there are reasons why the valuation in Nevada should differ from that in California I leave for the decision of the Board of Equalization, should one be established. There are 452 miles of the main track of the Central Pacific Railroad now assessed in this State. Its valuation for assessment is $3,135,600. There are also 28$\frac{867}{2200}$ miles of the side track of that road in this State, valued for assessment at $138,935. Total, $3,274,535. At the rate fixed by the California Board of Equalization the valuation of the main track would be $4,972,000, and of the side track, $112,667 27; total, $5,084,667 27—an increase of $1,810,132 27. But I do not intend to discuss the justice or injustice of such a valuation. It will be the especial province of the State Board of Equalization, should you establish it by legislative enactment, to inform itself upon this subject and act accordingly. Aside from the question of a higher or lower valuation of the property, there is another phase of the case which seems absolutely to demand investigation and remedy. It must be manifest to the most casual observer that there is a gross and unjust inequality in the valuation of the Central Pacific Railroad in the several counties through which its road-bed passes in this State. No good reason exists, or at least has come to my knowledge, why the road-way, road-bed and rails of the Central Pacific Railroad Company should be valued for taxable purposes at different rates per mile in different counties. I am not aware that any claim of this nature has been made by that company. In Washoe county the valuation is $9,000 per mile; in Lyon county, adjoining to the eastward, it is valued at $6,000 per mile; in Lander county it is valued at $12,000 per mile, and in Humboldt county, adjoining, at but $6,000. In other words, the mile of railroad next to the west line of Lander county is assessed at double the valuation fixed upon the mile in Humboldt county lying on its east line. Surely there is no good reason and much injustice in such discrimination. The tax levy is fixed by the Legislature at a uniform rate over all the State. The State is thus directly and

largely interested in having a just and uniform valuation of property for taxation. If property is undervalued the State is defrauded, and as the law now stands, helpless to correct the evil, for while Boards of County Commissioners may yearly vary rates of levy to conform to probable valuations, the levy for State purposes is fixed biennially and is unchangeable save by the Legislature. The counties of the State are, moreover, directly and peculiarly interested in securing the passage of a law looking to the equalization of railroad and other property in valuation for taxation. While one county may be contributing its just proportion of the State revenue, another and perhaps adjacent county may be shirking its duty in this respect, thus making the burden of taxation bear most unequally and unjustly upon different communities. It is the aim of good government to distribute its burdens, as well as its blessings, with impartial justice; to guarantee to each citizen that measure of protection it accords to every other, and to exact therefor an equal and just measure of support. In my judgment there is no branch of our revenue system which so much needs careful and considerate revision as that under which the valuation of property for purposes of taxation is now made.

I have shown the incongruous and unjust results of the workings of the present system. It is my belief that a State Board of Equalization, composed in whole or in part of the officers of the State Government, and clothed with ample powers to raise, reduce and fix the value of property for assessment on a just and equitable basis, should at once be created. The present revenue is largely insufficient to meet the expenses of the State Government. A higher rate of taxation is imperatively demanded. As the levy is increased the injustice of inequal valuations will become more pronounced and the necessity for some measure of relief more urgent. I bespeak for this subject your careful investigation and effective action.

WATER SUPPLY FOR PUBLIC BUILDINGS.

An Act was passed by the last Legislature providing for the procurement of a supply of water for the Capitol and State Orphans' Home. A Joint Commission was created by said Act, to whose report I refer you for a detailed statement of the work performed and expenditures made. The importance of the work consummated by them can hardly be estimated in figures. Simply from an economic point of view it is of great value to the State. Aside from the additional protection against fire of the public buildings, and the certainty of useful crops insured for the grounds of the Orphans' Home, a plentiful supply of pure, fresh water has been secured to the State for, apparently, all time. The Commission was hampered by the inadequacy of the appropriation and, in view of the necessities of the case, incurred some liability, which I cheerfully recommend you to provide for.

STATE ORPHANS' HOME.

It is with pleasure that I refer you to this institution, having for its object the care of fatherless and motherless children. It is

indeed a "Home." The devoted and unremitting attention of the officers of this institution is both noteworthy and praiseworthy. The children are well cared for, contented and exceptionally healthy. The administration of its affairs has been capable and economical. The difficult task of caring for the young and unprotected waifs who find an asylum under its roof has been heartily and successfully performed. I have no words save of praise in regard to the conduct of the "Home." It is a credit to its officers and the State which provides for its maintenance.

STATE PRISON.

The management of this institution is worthy of special commendation. The discipline is excellent, officers competent, and the general conduct of its business interests unexceptionable. New buildings have been erected by prison labor, and many needed improvements have been made while others are in progress. The purchase of the Warm Springs property removed from proximity to the prison an institution not only hurtful to the *morale* of the employes, but dangerous to the security of the prisoners. It gave a needed and useful extension to the prison grounds and facilities for extending the prison buildings. The number of convicts now in the prison is 153, of whom 20 are under life sentence. The net disbursements for supporting the prison during the past two years are, in round numbers, $100,000. The average number of convicts in the penitentiary in 1879 was 141½; in 1880, 147½. To the report of the Warden I must refer you for details of management, recommendations, etc.

CARE OF THE INSANE.

The care of the insane of our State is a subject demanding grave consideration at your hands. At present they are maintained at a private asylum, located near Stockton, California, under a contract, made March 3d, 1877, with Drs. Langdon and Clark, at a cost to the State of $1 per diem for each patient admitted. This contract runs for four years, but it is provided therein that the State may, at its option, extend the time until it shall have provided other means for their support. The preceding Legislature appropriated $5,000 for the purpose of enclosing, beautifying and bringing water upon a portion of the land owned by the State in Washoe County, near the town of Reno, and for the procurement of plans and specifications for an asylum, all looking toward the erection of a State building for the insane at that point. This money has been expended for the purposes named, for particulars of which I refer you to the report of the Commission. The plans submitted are, in my opinion, beyond the present financial condition of the State—more elaborate and expensive than our means will justify. I do not believe in the policy of building temporary structures for State purposes. Eventually, they are more expensive than those properly constructed in the beginning. For many reasons it is desirable, if possible, to care for our insane within our own borders. Humanity and justice appeal for

them strongly. Their accessibility to friends desiring to visit them, and the disbursement of the funds necessary for their maintenance among our own people, are weighty arguments in this direction. The number of patients now in the asylum is 140, and, I regret to say that there is a constant, although not very rapid, increase in their number. The cost of the maintenance of these unfortunates for the two years, ending December 31st, 1880, has been $113,011 40 (an average of over $1 15 per diem), of which $12,687 80 has been paid for their transportation to the asylum by the county officers in charge. This large sum is a total loss to the State, and would pay interest on even an extravagant building at home, after deducting the actual cost of the subsistence and care of these people. I commend this troublesome subject to your serious attention and consideration, believing that you will fully understand the situation and will come to a judicious conclusion. I am informed that responsible citizens stand ready to take charge of this unfortunate class of people on liberal terms, within the State, if you think it wise to continue the present contract system. This, in my judgment, would be a step in the right direction, soothing, in a manner, to our "State pride," and ultimately culminating in what we certainly ought to have—a State Asylum. To the report of the Commissioners you are respectfully referred for additional and detailed information upon this subject.

FISHERIES AND FOOD-FISH.

Under the practical and economical supervision of Hon. H. G. Parker, Fish Commissioner for Nevada, several of our rivers and lakes have been plentifully stocked with trout, salmon and catfish. The latter have now been planted for three years, and have so multiplied in the places where planted that the experiment may be safely pronounced a gratifying success. In Washoe Lake the most obvious results are apparent. It has not been uncommon for sportsmen to take large numbers of these justly esteemed fish during the past season, and with their known habits and means of self-protection there is no danger of the supply becoming exhausted. The Truckee, Humboldt and Carson rivers have been stocked with catfish. In the Truckee and Carson rivers 300,000 McCloud river salmon fry have been planted, which in another year will probably be heard from. The Commissioner has arranged for a large supply of German carp and eels to be planted in the early Spring. Sacramento perch and catfish have also recently been planted in many streams in Eastern Nevada. The Commissioner calls attention to the many dams and other obstructions in the Humboldt and Walker rivers, and suggests that it is useless to attempt fish propagation therein until they are removed. He also calls attention to the conflict in fish laws between this State and California, and requests that you memorialize the California Legislature upon the subject, to the end that the laws be harmonized. In view of the success thus far attending Mr. Parker's labors, I feel justified in recommending a continuance of the office and an appropriation for its expenses.

STATE SCHOOL FUND AND SCHOOL LANDS.

The assets of the State School Fund, the principal of which is, under the Constitution, irreducible, are as follows:

Coin	$95,717 80
Securities	415,000 00
Total	$510,717 80

On the 16th of June, 1880, a law was approved by the President accepting the surrender to the United States of all unsold portions of the sixteenth and thirty-sixth sections of land heretofore granted to the State for school purposes, and in lieu thereof granting to the State 2,000,000 acres of land to be selected from any unappropriated non-mineral public land within our borders belonging to the United States. The importance of this grant by the Government will be appreciated when it is understood that the major portion unsold of the sections mentioned is practically valueless, embracing, as it does, rugged mountain ranges, lakes and deserts. For the passage of this Act the grateful thanks of our people are due mainly to Congressman R. M. Daggett, who was ably seconded in his efforts by Senator John P. Jones and Captain John Mullan, the Nevada Land Agent resident in Washington. This lieu grant will insure to our State School Fund a magnificent estate, and place it in a few years beyond the need of any State aid. Since the grant was made large tracts of land have already been purchased under its provisions, and we have every reason to believe that other large sales will be made in the near future. The report of the Superintendent of Public Instruction will furnish you with full and reliable details of the present condition and the present and probable needs of the public schools, the bulwark, pride and hope of the commonwealth. The report of the Board of Regents of the State University will give you details of the operations and cost of that institution for the past two years. I regret to say that, in my opinion, thus far the benefits derived therefrom do not seem to be commensurate with the expense of its maintenance.

RELIEF OF SUFFERERS BY FIRE AT RENO, SILVER CITY, AND EUREKA.

On the 2d day of March, 1879, the town of Reno, Washoe County, was devastated by fire. For the purpose of furnishing immediate relief, a bill was passed by the Legislature, and approved by me, March 3d, 1879, appropriating $10,000. This amount was made subject to my order. After deducting for supplies purchased in Carson by members of the Relief Committee, the balance was placed in the hands of the Treasurer of the Relief Committee in Reno, and expended under its supervision. On the 4th day of March, 1879, but two days subsequent to the conflagration at Reno, the town of

Silver City, Lyon County, was partially burned. On the 6th day of March, 1879, a bill appropriating $2,500 for the immediate relief of the sufferers by that fire was approved. The amount appropriated was, as in the previous instance, placed subject to my order for distribution. The Relief Committee of Silver City, upon consultation, decided that $1,000 would be sufficient to afford the necessary relief to that town, which amount was by me placed in their hands.

On the 19th day of April, 1879, an extensive and destructive conflagration took place in Eureka, Eureka County. Property to a very large amount was consumed, and many families rendered destitute and shelterless. I received that day a telegram from the Relief Committee of Eureka, calling on me for aid, if within my power. In response, I telegraphed authority to draw upon me for $1,500, the unexpended balance of the appropriation for the relief of Silver City. While, technically, this money was appropriated for the relief of and was to be expended for Silver City, I deemed that, as the necessities of that town had been met, the balance was properly applicable to the relief of persons similarly situated in Eureka. Upon this view of the case I caused the money to be forwarded to Eureka, and have had the satisfaction of receiving the assurance of the Relief Committee and others that it was instrumental in relieving great suffering in that sorely tried community. I hope that my action in this matter will meet with your approbation.

CONSTITUTIONAL AMENDMENTS.

Several changes have been made in our organic law by ratification of the people at the general election in November last. Section 1, of Article IV, has been amended by eliminating therefrom the word "white," thereby making it conform to the amended Constitution of the United States, which confers upon all native-born citizens of this Republic, irrespective of color, race, or previous condition of servitude, a station of full and exact equality. A new section has been added to Article XI, which reads as follows: "No public funds of any kind or character whatever, State, county, or municipal, shall be used for sectarian purposes." A new article has been added, which reads as follows: "Article XVIII. The rights of suffrage and office-holding shall not be withheld from any male citizen of the United States by reason of his color or previous condition of servitude." There was also passed by the last Legislature a concurrent resolution providing for the amendment of Section 2, Article IV, of the State Constitution, so as to read as follows: "Section 2. The sessions of the Legislature shall be biennial, and shall commence on the first Monday of February next ensuing the election of members of the Assembly, unless the Governor of the State shall in the interim convene the Legislature by proclamation." The effect of this amendment is to postpone, for one month, the assembling of the Legislature. I have heretofore referred to this amendment, and recommended its passage and adoption.

APPOINTMENTS TO FILL VACANCIES.

In compliance with Section 2645, Compiled Laws of Nevada, I have the honor to report the following appointments, made to fill vacancies occurring during the past two years:

June 17th, 1879, Thomas W. Triplett, appointed to fill the vacancy caused by the death of James H. Burgess, County Commissioner of Lander County.

October 30th, 1879, Frank Drake, appointed to fill the vacancy caused by the resignation of Edwin Caldwell, County Commissioner of White Pine County.

January 15th, 1880, Franklin Neal, appointed to fill the vacancy caused by the death of P. L. Travers, County Commissioner of Esmeralda County.

January 14th, 1880, C. C. Stevenson, appointed to fill the vacancy caused by the resignation of W. W. Bishop, Regent of the State University.

CHINESE IMMIGRATION.

A law was passed by the last Legislature providing for an expression of the will of the people of this State upon the subject of Chinese immigration. Under its provisions the question was submitted to the voters at the last general election. The official canvass shows that out of 18,397 votes cast, but 183 were in favor, while 17,259 were against the further admission of Chinese as immigrants to our State and country. Nine hundred and fifty-five electors did not vote upon the question. The practical unanimity of sentiment upon this question among the people of the Pacific States is neither strange nor unwarranted by our situation. The evils of enforced competition with a form of servile labor, but a degree removed from the system of human slavery which so long degraded free labor in many States of our Union, are palpable, even to a superficial observer. We of this Coast have, by years of unfortunate experience, come to realize and condemn the suicidal policy which encourages or tolerates the influx of this uncivilized race, with its burden of moral and physical corruption. Chinese immigration unrestricted, signifies Chinese domination in every department of labor in which cheap handiwork can compete with our own labor. But it is broader than this. Unimpeded immigration threatens us with an exodus from the Orient, a barbaric deluge. It signifies not alone the addition of a few thousands, or even hundreds of thousands, of heathens to our population. It points to the transplanting, the migration of a race outnumbering our own, into and over our domain. I am glad to know that the vigorous protests of our people, and the earnest efforts of the representatives in Congress from the Pacific States, have resulted in calling National attention to this impending assault upon the civilization of the century. The meager information thus far obtainable indicates that the Commission to China appointed by President Hayes has secured such a modification of the treaty

with that Empire, in respect of immigration, as will practically place the subject matter under the control of our National law-makers. There is, there can be, but one opinion among our people as to the course which should be pursued. We demand the prompt passage of a law prohibiting the further immigration of Chinamen, or so restricting the number to be yearly or monthly admitted, that the evil of their presence will, by death, or return to their native land, in due time be obliterated. I am sure that by proper memorials and resolutions you will, in your good judgment, present this matter to Congress early in its session.

I have prepared and transmitted, as required by law, a statement containing an abstract of the vote of the Electors of Nevada upon the question of Chinese immigration to the President of the United States, the Vice President, the Cabinet Ministers, each Senator and Representative in Congress, and to the Governor of each State and Territory.

MINES AND MINING.

Mining is, and must continue to be for many years, if not indefinitely, the leading industry of our State. To the development of our mineral resources we must look for permanent business prosperity. Upon this will hinge, in a marked degree, our advance in population and wealth, and from it will come that demand which will promote agricultural, manufacturing, grazing and all other industries, and afford a home market for their products. This State is surpassingly rich in mineral wealth. Its treasures, rock-bound and difficult of access, await patient labor and skillful appliances.

Mining is a legitimate industry. Statistics show that its rewards are great; its risks, when understandingly and persistently followed, not more than in most other pursuits. Within the past two years the business of mining has, in many localities, largely increased. In distant parts of the State new and most promising discoveries have been made, and in many, succeeding developments have amply justified the outlay of time, capital and labor involved, and established their permanent value. I regard the recent increased amount of prospecting as of immense importance to the State and country. Development waits upon discovery, and material wealth upon both. Every ounce of the precious metals which is dug from the earth or hewn from the rocks is an addition to the known wealth of the State, the Nation and the world. With facilities for transportation extended and cheapened; with appliances for reduction enlarged and multiplied, large bodies of ore now practically valueless will be made profitable; attendant and appendant industries will spring up and flourish, avenues of labor will be increased and created, and prosperity follow in legitimate sequence. The attention of capital should, by well-directed and united effort, be drawn to our natural resources; not to the stock sales of ofttimes valueless properties, but to the inherent and undeveloped mineral wealth of our State and its natural and advantageous openings for safe and profitable investment. Under and by reason of united and forcible representations the mineral wealth of the whole State

will ere long be known and recognized to the ultimate benefit of our people. The State is vast in extent, a country of "magnificent distances." It is yet in its swaddling clothes. Its vigorous growth to maturity depends mainly upon mining, its natural and permanent industry. To the encouragement of this the State, by every legitimate and equitable method, should lend its helping hand; its unqualified, earnest and consistent support.

CONCLUSION.

In conclusion, gentlemen, let me remind you that the great evil of the day, in respect of legislation, is the multiplicity and crudity of the laws with which the statute books are cumbered. But few new laws are required, several amendments to existing laws are desirable, and perhaps other laws should be repealed. I ask your careful consideration of the Attorney General's report in reference to these matters. The neglect or omission by county officials of their duties under the Election Law may lead to very serious consequences, involving the disfranchisement of electors, and possibly the defeat of the national will as expressed at the polls. Experience, derived from the last canvass, proves conclusively that you cannot too carefully guard not only the ballot-box, but the acts of the officials in charge, until the vote is legally canvassed and the will of the people justly proclaimed. Severe penalties should attach to any omission or malfeasance in this respect. Other amendments recommended in his report are so clearly necessary and important that I am sure you will not overlook them. The Militia Law is cumbrous, and in many particulars inoperative. It should be amended. It will be your duty to reapportion the State for members of the Legislature under the United States census of 1880. The migratory character of our population surrounds this question with difficulties rarely met with elsewhere. Your action will doubtless be in the interest and for the benefit of the whole State. As a matter of economy in many directions, I would suggest your serious consideration of the practicability of reducing the number of the members of our legislative bodies. I would further direct your attention to a just claim of the State against the United States Government for moneys expended in the suppression of Indian outbreaks. Proper legislation will undoubtedly restore to our Treasury the amount thus expended. The wisdom of the preceding Legislature in establishing a State Printing Office will, I hope, be favorably demonstrated before the close of your session.

The outlook for the future of our State is cheerful and encouraging. The tidal wave of business activity, which is now flooding the Eastern portion of the continent, will ere long sweep over the Rocky Mountains into the Great Basin, bearing on its crest its gathered treasures of hopes, ambitions, and successes. Let us not underrate our situation and advantages. We should welcome, with open arms, the advent of every influence and energy which points to our material progress and development. Intelligent immigration should be encouraged; restrictive and repellant legislation should be avoided

and condemned. Our State, an empire in area, regal in resources, awaits that prosperity which will follow the occupancy of the one and the development of the other. With faith in the future, both of State and Nation; with the earnest hope that during your session measures of practical and lasting benefit to the State and its people may be evolved and formulated into laws, I bid you welcome to the capital. Let us remember that, as upon justice and equity republics are builded, so to the enforcement of these principles must we look for the perpetuity of a popular government and the welfare of its people.

JOHN H. KINKEAD,

Governor.