

SECOND BIENNIAL MESSAGE

Of His Excellency

GOVERNOR

JOHN H. KINKEAD,

TO THE

Legislature of the State of Nevada,

ELEVENTH SESSION.



CARSON CITY, NEV. :

STATE OFFICE : : : : J. C. HARLOW, SUPT. STATE PRINTING.

1883.

MESSAGE.

STATE OF NEVADA, EXECUTIVE DEPARTMENT, }
CARSON CITY, December 31, 1882. }

GENTLEMEN OF THE LEGISLATURE :

I have the honor to submit for your inspection and consideration a report of the condition of the State and its government, with a few suggestions which seem necessary and advisable. I shall be brief in these latter, leaving to my successor, upon whom, conjointly with yourselves, rests the responsibility of shaping the legislation and directing the policy of the State Government, the duty of making such recommendations in respect of amendments of the old, or enactment of new laws, as may seem to him best for the public welfare. Some of the suggestions relating to the amendment of existing laws embodied in my message to the Tenth Legislature were acted upon by that body. Others were not. I have seen no reason to withdraw any recommendations then made. Especially is this the case with respect to that which called upon your predecessors to enact a law creating a State Board of Equalization. This subject was discussed at considerable length in my previous message (vide pp. 10, 11, 12 and 13), and I have seen no reason to doubt the correctness of the conclusions then deduced. The necessity for the creation of a State Board of Equalization is, in my opinion, more apparent than ever. As both political parties—which may fairly be said to represent the people of the State—in their Conventions of the present year have pledged their nominees to favor and procure the passage of a law creating such Board, I doubt not that a bill to that effect will be passed unanimously and receive the hearty and prompt approval of my successor. I take pleasure in renewing my recommendation in favor of such legislation.

Business in general throughout the State is fairly prosperous. We have had no wild excitements, as in previous years, over alleged vast

mining discoveries, which have benefited the wary few at the expense of the credulous multitude. Stock gambling is not so prevalent as formerly. The mines have yielded fair returns in most localities, and in several the present bullion output is larger than ever heretofore. Legitimate mining is taking the place of stock speculation; new and prosperous mining districts are being organized, giving employment to many and inviting the attention of capital to safe and profitable investment. The result must be beneficial to the State; its revenues will augment and its population permanently increase. Agriculture is subduing the waste lands, extending its domain with gratifying results; the grazing and stock raising interests have been exceptionally remunerative; railroad building has been carried on steadily and surely, and the State is being opened up to welcome immigration. Manufactories are gradually acquiring a foothold in our midst, and with proper facilities extended by transportation companies, will be of permanent profit to the State.

Our population, while not largely on the increase, partakes much more of permanency in its characteristics. The two years just ended have been marred by no marked disturbances of public peace. The army of the unemployed has diminished, and legitimate business enterprises are constantly being inaugurated. Our State is on a sound financial basis. It owes nothing outside its family circle. Its debts are due only to its own children, and the money it now pays as interest on such debt goes in support of common schools.

The records of our penal and eleemosynary institutions show an encouraging decrease in the number of inmates and consequent expense of maintenance. Our insane wards have been brought home and are cared for within our borders and in our own Asylum erected for the purpose. The expenses of the State Government show a gratifying decrease, which will be still more apparent when the laws passed by the last Legislature shall take effect.

Your action will, I am confident, tend to promote the best interests of the whole people of this commonwealth. Such should be your motive and ambition, avoiding the semblance of partisanship in legislation, and having ever in view that fundamental principle of just government: "The greatest good to the greatest number."

FINANCES.

The following schedule shows the amount of moneys on hand in

the various funds, at the close of business, December 31, 1882, after deducting all outstanding warrants :

General Fund.....	\$194,154 73
State School Fund.....	45,391 35
General School Fund.....	18,172 40
University Fund.....	2,633 94
University Fund—Contingent.....	1,801 33
University—90,000—Acre Grant Fund.....	9,350 79
Interest—90,000—Acre Grant Fund.....	9,294 04
Territorial Interest and Sinking Fund.....	16,016 91
State Interest and Sinking Fund.....	24,406
Insane Asylum Interest and Sinking Fund.....	8
Legislative Fund.....	
Library Fund.....	
Total.....	\$331,

List of securities held in Trust Funds, with accrued interest to December 31, 1882 :

STATE SCHOOL FUND.

50,000 U. S. 3½ per cent. (extended 5 per cent.) bonds	\$50,437 50
75,000 Nevada State 4 per cent. 20-year bonds.....	76,500 00
59,000 Nevada State 4 per cent. 10-year bonds.....	60,180 00
380,000 Nevada State 5 per cent. irredeemable bonds	389,500 00
Total.....	\$576,617 50

UNIVERSITY FUND.

11,000 U. S. 4 per cent. bonds of 1907.....	\$11,110 00
15,000 Nevada State 4 per cent. 10-year bonds.....	15,300 00
Total	\$26,410 00

UNIVERSITY FUND—90,000—ACRE GRANT.

39,000 U. S. 4 per cent. bonds of 1907.....	\$39,390 00
17,000 Nevada State 4 per cent. 10-year bonds.....	17,340,00
Total.....	\$56,730 00

Grand total of securities, with accrued interest, held in trust by the State, \$659,757 50.

PUBLIC DEBT.

Statement showing amount of the public debt December 31, 1882 :

Five per cent. State bond, with accrued interest thereon.....	\$389,500 00
Four per cent. ten-year bonds, with accrued interest thereon.....	92,820 00
Four per cent. twenty-year bonds, with accrued interest thereon.....	76,500 00
Total indebtedness.....	\$558,820 00
Net cash in State Treasury December 31, 1882, applicable to payment of the State debt.....	244,483 18
Net State indebtedness, including \$380,000 irredeemable bond.....	\$314,336 82
To which should be added deficiencies amounting to...	22,250 68
Net debt and liabilities.....	\$336,587 50

The following analysis, prepared with some care, shows the actual receipts into the State Treasury in the years 1881 and 1882. All transactions between the State and its several trust funds have been omitted, the statement being restricted to moneys received from sources *outside* the State Treasury. Obviously, the addition to the aggregate of receipts and expenditures of moneys paid by the School and University Funds for the purchase of State bonds of Nevada, and received into the General or other funds for disbursement, or the amounts of interest paid from these latter funds into the School and University Funds, would have no other effect than to swell the totals of receipts and disbursements, while the amounts so added must necessarily be equal. This analysis has been made with the view of enabling you to note without difficulty the actual moneys received

into the State Treasury during the past two years, the sources whence derived and the modes of disbursement:

RECEIPTS, 1881.

From property tax.....	\$219,683 37	
From tax on proceeds of mines.....	15,010 97	
From licenses and poll tax.....	35,922 27	
		\$270,616 61
From interest on California and United States bonds.....	6,250 00	
From premium on sale of California and United States bonds.....	9,425 00	
From sale of California and United States bonds.....	100,000 00	
		115,675 00
From interest on deferred land payments..	13,100 06	
From sale of school lands.....	54,672 78	
		67,772 84
From court fines and toll roads.....		4,271 32
From miscellaneous sources.....		3,044 07
		67,772 84
Total receipts for 1881.....		\$461,379 84

Of the above, the following sums, covered into the Treasury to the credit of the several trust funds, are not available for disbursement:

Received from sale of bonds.....	\$100,000 00
Received from sale of school lands.....	54,672 78
Received from court fines and toll roads.....	4,271 32
Total not available for expenditure.....	\$158,944 10

Leaving \$302,435 74 of the revenue of 1881 subject to use for the support of the State Government.

EXPENDITURES, 1881.

Executive Department.....	\$49,519 20
Judicial Department.....	26,956 00
State Prison (net).....	48,784 04
Charitable institutions.....	65,823 60
Printing and advertising.....	11,176 82
Legislature, Tenth Session.....	73,469 60
Reliefs.....	5,952 67
Deficiencies, 1880.....	28,879 70
Common schools.....	42,851 42
Miscellaneous.....	25,512 33
Interest on State bonds.....	2,825 00
Redemption of State bonds.....	56,529 16
Insane Asylum building.....	47,041 52
Total expenditures, 1881.....	\$485,321 06

Of the above, the following should not be classed as current expenses:

Deficiencies.....	\$28,879 70
Reliefs.....	5,952 67
Redemption of State bonds.....	56,529 16
Insane Asylum building.....	47,041 52
Total extra.....	\$138,403 05

Showing an actual current expenditure in 1881 of \$346,918 01 and a deficit of \$44,482 27 between available receipts in 1881 and current expenses.

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RECEIPTS, 1882.

From property tax.....	\$211,263 51	
From tax on proceeds of mines (includes \$33,493 38 received as penalties for non-payment of tax in 1876).....	41,724 06	
From licenses and poll tax.....	30,848 40	
		\$283,835 97
From interest on U. S. bonds.....		2,875 00
From interest on deferred land payments...	13,551 17	
From sale of school lands.....	72,792 20	
From U. S. Government, five per cent. on sale of land.....	1,373 62	
		87,716 99
From Court fines and toll roads.....		3,612 57
From miscellaneous sources.....		3,193 80
Total receipts, 1882.....		\$381,234 33

Of the above the following sums, covered into the Treasury to the credit of the several trust funds, are not available for disbursement :

Received for sale of school lands.....	\$72,792 20
Received from U. S. Government 5 per cent. on sale of U. S. lands.....	1,373 62
Received from Court fines and toll roads.....	3,612 57
Total unavailable.....	\$77,778 39

Leaving \$303,455 94 of the revenue for 1882 subject to use for support of the State Government.

EXPENDITURES, 1882.

Executive Department.....	\$47,229 27
Judicial Department.....	26,794 00
State Prison (net).....	40,466 55
Charitable Institutions.....	63,263 37
Printing and advertising.....	4,489 35
Common Schools.....	55,162 94
Purchase U. S. 3½ per cent. bonds.....	51,104 25
Miscellaneous.....	27,186 50
Insane Asylum building.....	32,958 48
Total expenditures, 1882.....	\$348,654 71

Of the foregoing the following should not be classed as current expenditures :

Purchase U. S. bonds.....	\$51,104 25
Insane Asylum building.....	32,958 48
Total extra.....	\$84,062 73

Leaving the sum of \$264,591 98 as the actual current expenses of the State Government in 1882, plus the deficiencies certified by the State Controller, to wit : \$22,250 68, making total expenses for 1882, \$286,842 66.

It will thus be seen that the current receipts in 1882 were \$303,455 94 ; current expenses, \$286,842 66—an excess of \$16,613 28.

The account for the years 1881 and 1882, therefore, stands thus :

Receipts, 1881.....	\$302,435 74
Receipts, 1882.....	303,455 94
Total receipts.....	\$605,891 68
Expenditures, 1881.....	\$346,918 01
Expenditures, 1882.....	286,842 66
Total expenditures.....	\$633,760 67

Showing an excess of current expenses over current receipts in the two years of \$27,868 99. The State Controller estimates that the reduction of the current expenses of the State Government, under the provisions of the Acts passed by the Tenth Legislature to take effect January 1, 1883, will aggregate \$60,000 in the years 1883 and 1884. There is no apparent reason why the revenue should vary materially from that of the past two years; *provided*, the tax levy remains at ninety cents per \$100, and other sources of revenue are undisturbed by legislation. A careful examination will, I am confident, confirm the truth of my assertion that the State is now on a sound financial basis.

The total amount of revenue collected for State purposes during the past two years was \$642,013 90. The amount paid by the State for collecting this amount was \$67,491 47. The amount paid for transportation of coin to the State Treasury was \$1,227 40. The amount deducted for payment of armory rents was \$19,525, leaving \$553,770 03, net amount received into the State Treasury from the several counties, or *fourteen per cent.* less than the amount collected. It is obvious that the cost of collecting the State revenue is far in excess of what should be. The defects in the revenue laws in this particular should be at once corrected.

RAILROADS.

The annual reports to the Secretary of State, as required by law, of the several railroad companies operating within the State show a condition of prosperity.

During the past two years the Carson and Colorado Railroad has been extended to the southwestern boundary of the State, across the northern end of the White Mountain range, and ere long its trains will traverse the large and productive valleys lying between those mountains and the great Sierra Nevada chain. The country already thrown open, and that which will be rendered accessible by the further extension of this road, is surpassed by no section west of the Rocky Mountains in mineral wealth. The belts of timber adjacent to its course will, with reasonable transportation charges, solve the fuel problem in favor of mining and other industries now lying dormant.

The Nevada and Oregon Railroad, starting from Reno, has been extended to a point over thirty miles northward. This road will open to market the products of a series of valleys, large in extent and of superior productiveness, and render available a vast belt of timber situate on the eastern slope of the Sierra Nevada.

I am convinced that our prosperous future as a State largely depends upon the building of narrow-gauge railroads. The transpor-

tation problem in this State is, in my opinion, solvable in this manner. Less expensive in construction and operation, they penetrate sections otherwise practically inaccessible, and bring to the main highways and marts of commerce the products of valley, mine and mountain, while in return they carry the comforts and luxuries of our highest civilization to the hardy prospector and industrious pioneer on the outermost frontier. Railroads are, moreover, permanent investments. The property is taxable; it is a fixed source of revenue to the State and its county governments, steadily and constantly growing in value as traffic and population over and along the lines increase.

I am not unaware that the power inuring to a practical monopoly of the carrying trade may be and often is used tyrannically, to the detriment and, in some cases, absorption and extinction of legitimate industries and the oppression of, instead of benefit to, helpless communities. Of this we have, in one railroad at least, traversing this State, ample and exasperating proof. The discriminations of the Central Pacific Railroad Company against Nevada continue unchanged and unabated. We are the victims of an injustice in the matter of transportation charges by this railroad company which is well nigh intolerable. The energies of our people have been fettered, the growth of the State retarded, and the development of its resources hampered by the outrageous exactions imposed upon us by this corporation. Thus far appeals to the merciless autocracy directing its policy have been without effect. Neither have the oft-repeated memorials sent to the National Congress proved thus far effectual. We are bound hand and foot; our industries languish, and the State, which should be prosperous, is struggling on the verge of retrogression. In other States and Territories concessions and reductions in transportation rates have been made by railroad corporations to meet the public demand. In some, such concessions have been compelled; in others, policy has dictated fair treatment. In Nevada, neither justice nor policy have given relief. I commend this matter to your earnest consideration.

In another respect the people of Nevada are unjustly dealt with by this corporation. The grants of land to the Central Pacific Railroad Company by the United States Government aggregate about 8,000,000 acres. Less than 1,000,000 acres have been patented to that company. A very large portion of this grant lies within the boundaries of our State. The road has been completed for over twelve years. The failure of the company to obtain patents to these

lands is a serious injustice to our people. Until the legal title is vested in the company, the lands are not taxable by the State or any municipality. The land grows valuable by the settlements around and upon portions sold by the company, without contributing to the support of the State wherein it is situated. In other words—using the language of the Honorable Secretary of the Interior in his report for the year 1882—“All the burdens of maintaining the local civil establishments of the country are thrown upon the legal owners of a moiety of the lands embraced within the limits of railroad grants, while the equitable owners of the other half are exempt from such burdens, although receiving the resultant benefits.” It is only right that the Central Pacific Railroad Company should perfect title to the lands granted it by Congress, thus rendering them subject to taxation by the State, or forfeit its equitable right thereto. I strongly urge the propriety of memorializing Congress upon this subject, thus adding the weight of the State's indorsement to the recommendation of the Honorable Secretary of the Interior.

PUBLIC SCHOOLS.

The assets of the State School Fund are as follows :

Coin in Treasury.....	\$45,391 35
Securities in Treasury.....	576,617 50
Total assets.....	\$622,008 85

The common school system of this State is supported by revenue derived from taxation; interest on securities held by the State School Fund as investment, and by interest on deferred payments on school lands sold by the State.

In the year 1881, the revenue derived was as follows :

From taxation.....	\$15,713 79
From interest on securities.....	26,145 83
From interest on deferred payments.....	10,672 92
Total receipts for 1881.....	\$52,532 54

In 1882, the receipts were as follows :

From taxation.....	\$16,171 66
From interest on bonds.....	24,108 33
From interest on deferred payments.....	10,437 45
Total receipts for 1882.....	\$50,717 44

The assets of this fund are now rapidly increasing, and must continue to do so. It cannot be diminished, the interest on its investments alone being available for expenditure in support of the public schools. During the past two years the amount available for distribution has been augmented by the addition of the interest on deferred land payments, which theretofore was placed in the irreducible fund. The reason for adopting this course is, that a deferred payment on a sale of school lands is as much an investment of school moneys as though the land had been sold for cash and the proceeds invested in interest-bearing bonds. By pursuing this course the amount available for distribution is quite considerably increased, to the benefit of the schools and the relief of taxpayers, while a practical investment at ten per cent. per annum is made of funds which otherwise would not produce an equivalent of four per cent. per annum. In this connection I will add that the high rate of this interest charge on deferred payments, has had the effect of making sales for cash more frequent. It is obviously best for the School Fund that time sales be favored, as thereby it obtains interest on unpaid balances. It is now impossible to invest School Fund moneys in securities which bear over four per cent. per annum interest, and I respectfully suggest, in view of this fact, the propriety of lowering the rate of interest on deferred land payments to six or seven per cent. per annum. This will encourage the purchase of land to be paid for in installments, and be not only a benefit to the purchaser of land, but an eventual help to the investment of school funds.

Since June 16, 1880—the date of the passage of the Lieu Land Act by Congress—the sales of land under that grant amount to 180,000 acres. The total sales of land under the previous grant—the sixteenth and thirty-sixth sections—were 61,967 acres. The School Fund has in future the certainty of such increase as to secure to the children of the State ample funds for educational purposes, and which, in a very few years, will relieve the taxpayers from the necessity of contributing a dollar to the support of our common

schools. I therefore think it not too early to call your attention to the provisions of Section 6, Article XI., of the State Constitution, wherein a tax of not less than twenty-five cents upon \$1,000 for this purpose is made obligatory. A resolution providing for the amendment of the organic law, by striking out the clause referred to, would, in my judgment, not be premature, as four years must elapse before it could be made effective. The only difficulty which can now be foreseen as to the future of revenue from the School Fund, is that of investing advantageously the moneys belonging to the fund, which, unless bearing interest, are practically valueless. The limitations of the State Constitution preclude investment in securities other than United States or Nevada State bonds. It is a serious question whether other classes of securities should not be included in the list in which investment may be made. To the labors of the State's Land Agent at Washington, the people of Nevada, for themselves and their children, are greatly indebted, not only for his exertions in procuring the passage of the Lieu Land Act, but his prompt, zealous and efficient efforts in procuring the approval of selected lands by the Commissioner of the United States Land Office. The general condition of our public schools is prosperous. Every child within the limits of this Commonwealth may receive a first-class education, at no expense save for text books. It is the fault of parents alone if any of the rising generation in our midst grow to manhood and womanhood in illiteracy. Public school-houses, in many cases costly edifices, in all ample in accommodation and convenient in arrangement, adorn every section of our young State. Of these we are proud; of the future of their busy inmates, we are profoundly solicitous and justly hopeful.

For details as to management, number of pupils, percentage of attendance, etc., with such suggestions as his intimate acquaintance with the status and needs of our public schools may call forth, I respectfully refer you to the report of the State Superintendent of Public Instruction.

STATE UNIVERSITY.

With no unfavorable criticism to offer upon the management of this institution, I am compelled to say that the opinion expressed in my message to your predecessors has not been changed. The expense of its maintenance, in my judgment, largely exceeds the resultant benefits.

I respectfully refer you to the report of the Hon. Board of

Regents for detailed statements, etc., and ask your consideration thereof.

INDIGENT INSANE.

The care of the indigent insane of our State has ever been a matter of solicitude, and many methods have been suggested whereby the great expense of their maintenance might be lessened and they be cared for within our State. At the last session of the Legislature a settlement of the vexed question "Where shall they be cared for?" was made by the enactment of a law, approved February 24, 1881, providing for the erection and equipment of a State Insane Asylum at Reno, Washoe county, Nevada, and appropriating \$80,000 for that purpose. This building has been completed. It is an ornament to the place where situated and a credit to the State through whose liberality it has been erected. The Commissioners under whose supervision it was built had many obstacles to encounter and were much delayed by suits at law brought to restrain their action under the provisions of that Act. The building was, however, completed according to contracts and furnished and fitted for occupancy within the limits of the appropriation.

July 1, 1882, the inmates of the Asylum at Stockton, California, where, under contract with Dr. Clark, they had been maintained up to that time, were brought to the new Asylum by special train and safely lodged therein. The removal was accomplished without serious difficulty. The number so transferred was one hundred and forty-eight. The expense of maintaining our insane at Stockton from January 1, 1881, to July 1, 1882, was \$76,811. The amount paid for transporting them thither during that period was \$7,006 50. The expenses of a Commission sent to inspect their condition in May 1881 were \$500. The balance of the appropriation of \$100,000 for care of the insane during the years 1881-82—to-wit, \$15,682 50—has been expended in bringing them from California, insuring the Asylum building and supporting the institution. There are deficiencies now amounting to \$20,764 20, for which provision should be made.

It is as yet too early to arrive at a clear comparison of the cost of maintaining our insane at the Asylum with that under the previous "contract system." That the expense will be much less I am fully convinced, while the amount necessary for their support will be disbursed among our own people. The cost *per capita* will be diminished materially, as the State grounds, upon which the Asylum is situate, are improved by cultivation and thus enabled to

furnish, at comparatively no cost, much of the required supplies for the maintenance of the institution. The care and comfort of the inmates are very greatly superior to that under the old system; their friends can readily visit them and their improved condition and satisfaction are already apparent. The management under the present Superintendent, Dr. A. Dawson, has been eminently successful in general results and in economy.

The reports of the Superintendent and Board of Commissioners will give you all details regarding the erection of the building, current expenses, etc., etc. The wisdom of caring for these unfortunates within our own borders must be conceded by any one investigating the subject.

STATE PRISON.

The receipts from the State Prison in 1881 were \$24,806 18. The expenditures for its support were \$71,139 42. The receipts in 1882 were \$33,111 64. The expenditures were \$76,028 99. The discipline and management of the prison has been good. Few escapes have occurred. The average number of convicts in 1881 was $133\frac{5}{12}$; in 1882 the average was $121\frac{1}{4}$. Average for the two years, $127\frac{7}{12}$. The decrease of the number of inmates is gratifying, showing a gradual movement out of the State of the idle, vicious, and non-producing portion of the floating population. The prison is not self-sustaining. In fact, the chief industry—manufacturing boots and shoes—affords little or no profit. To lessen the cost of its maintenance and to so employ its inmates as to produce a creditable revenue, are problems not easy of solution. In my judgment, the present location of the prison, in this respect, is as good as any other in the State would be for, probably, many years to come, and any action looking to its removal would, I think, be unwise and necessarily entail a very great expense. The present accommodations are ample and the sanitary condition excellent. I leave these matters for your wisdom and discretion. The biennial report of the Warden, which will be made to you, will give details of management, expenditures, etc., not now at my command. His experience should give weight to such suggestions as he may deem it proper to make.

STATE ORPHANS' HOME.

The expenditures for support of this worthy State charity were in the year 1881 \$14,178 85; in 1882, \$13,421 72. Total, \$27,600 57. The average number of wards supported at the Home in 1881 was

47½; in 1882, 49½. The health of the children has been exceptionally good. The discipline is excellent, the instructor capable, and the *morale* of the institution unexceptionable. I doubt if the management could be materially improved. It is, I believe, conducted capably and honestly, both Superintendent and Matron having in view the best interests of the State and its orphan protégés. Your committees will, during the Legislative session, doubtless visit this institution and report to your honorable bodies the results of their inspection.

STATE PRINTING OFFICE.

In the report of the Superintendent of State Printing, herewith forwarded for your consideration, you will find details of his administration of this department. Careful examination will disclose that a very material reduction has been made in this portion of the current expenses of the State Government. Much praise is due and should be accorded this officer for his efficiency and economy in the fulfillment of his duties. Rarely are public officers found who so entirely subject personal interest to public good, or have so high an appreciation of the necessity of practical economy. To Mr. Mad-drill the State owes much consideration. The existing law requires the State Printer to report to the Governor annually, on the *1st day of December*. This should be amended so as to make his report due with that of other State officers, viz.: January 1st, the fiscal year ending December 31st.

TABLET FOR THE WASHINGTON MONUMENT.

By the provisions of an Act of the Legislature, approved January 24, 1881, I was authorized "to procure a block of suitable material for presentation to the Washington Monument Association." The sum of three hundred (\$300) dollars was appropriated for the purpose. I procured a block of granite, of proper size and texture, and caused to be engraved thereon a suitable inscription, the letters being of coin silver. The work was well done, the inscription being conspicuous yet tasteful. The tablet, properly boxed, was sent to the Monument Association at Washington, and is now probably in its appropriate place in the monument.

APPOINTMENTS TO FILL VACANCIES.

As directed by Section 2645, Compiled Laws of Nevada, I have

rior to report the following appointments made to fill vacancies
ing since January 1, 1881:

January 25, 1881—Abner S. Richardson appointed to fill the
vacancy caused by the failure of G. A. Hamilton, County Commis-
sioner-elect of Esmeralda county, Nevada, to qualify.

March 14, 1881—J. A. Blossom appointed to fill the vacancy
caused by the resignation of J. P. Cope, County Commissioner of
Lander county, Nevada.

May 2, 1881—R. E. Doran appointed to fill the vacancy caused by
the resignation of W. S. Stone, County Commissioner of Esmeralda
county, Nevada.

October 10, 1881—R. R. Bigelow appointed to fill the vacancy
caused by the death of J. H. Flack, Judge of the Seventh Judicial
District, Nevada.

December 2, 1881—Charles Forman appointed to fill the vacancy
caused by the resignation of Major-General L. T. Fox, Nevada State
Militia.

December 2, 1881—Joseph H. Mathewson appointed to fill the
vacancy caused by the death of C. C. Batterman, Brigadier-General
Nevada State Militia.

January 9, 1882—Jacob Klein appointed to fill the vacancy caused
by the death of Israel Crawford, County Commissioner of Ormsby
county, Nevada.

September 27, 1882—Hiram H. Conklin appointed to fill the
vacancy caused by the resignation of George M. Sabin, Brigadier-
General Nevada State Militia.

October 7, 1882—J. B. Hiskey appointed to fill the vacancy
caused by the death of Abner S. Richardson, County Commissioner
of Esmeralda county, Nevada.

December 11, 1882—Andrew Nichols appointed to fill the vacancy
caused by the resignation of Allen A. Curtis, County Commissioner
of Lander county, Nevada.

LITIGATION TERMINATED.

The protracted litigation arising from the refusal of certain foreign
mining corporations doing business in Storey county to pay taxes
assessed upon the net proceeds of their mining claims has been
terminated.

The moneys due as penalty for non-compliance with the require-
ments of the revenue laws have been paid into the public treasury.

CLAIMS AGAINST THE GENERAL GOVERNMENT.

At the last session of our State Legislature a bill was authorizing the appointment by the State Board of Examiners attorneys at Washington, D. C., to prosecute claims of this kind against the United States arising out of Indian wars, etc. (Statutes of 1881, p. 89.)

Under the provisions of this law the Board of Examiners appointed the resident Land Agent of Nevada at Washington, D. C., John Mullan, Esq., as the State's attorney to prepare and present its claims against the General Government. Through his exertions, coupled with the efforts of our Senators and Representative in Congress, an Act was passed by Congress and approved by President Arthur June 27, 1882, providing for the presentation and audit of the claims of Nevada against the United States by the Secretaries of War and of the Treasury.

Although the law passed by our State Legislature did not include the preparation, presentation and collection of the claims of Nevada against the United States arising from its disbursements on account of suppressing the great rebellion of 1860-65, the law of Congress was drawn to embrace that class of claims, and so passed that day and was approved by the President.

Mr. Mullan, immediately upon its passage, and ably seconded by the State officers here, began the work of compiling, abstracting and placing in proper form for presentation to the Secretaries of War and of the Treasury the mass of documents and vouchers, embracing not only the claims of Nevada growing out of the suppression of the several Indian outbreaks, but the far heavier and more important claims of this State for its disbursements in aid of the United States during the War of the Rebellion. The claims for disbursements, on account of the former, aggregate a little over \$22,000, while those on the latter account amount to nearly \$350,000. Much of this last sum is, in the opinion of the State's Attorney, collectible. I respectfully suggest that in view of the services rendered by Mr. Mullan already in preparing these claims, his aid in procuring the enactment of the law of Congress which provides for their presentation and audit, and his peculiar fitness—acquired by research in their compilation—to present them for allowance, you should extend the terms of the law of 1881 so as to include this character of claims and instruct Mr. Mullan to proceed to collect the same under the terms therein named. The amount collected, although it may probably not aggregate the amount

claimed, will, nevertheless, be of great importance, at this time. The claims are now ready for presentation to the Secretary of the Treasury, the abstracts and vouchers to supplement the claims are prepared, and as the law of Congress provides for the settlement of like claims of several other States, it is very important that ours be presented as speedily as possible. I may add, that perhaps in view of the great financial prosperity of the General Government at the present time, prompt action will render the settlement effective during the year 1883, and the Treasury of the State will be largely benefited.

In this connection and for your further information I append a portion of the report of the State's Attorney, relative to these claims :

CARSON CITY, NEVADA, September 23, 1882.

Hon. John H. Kinkead, Governor of Nevada, Carson City :

Dear Sir : I have the honor to report to you that I have completed the examination of all the papers now on file in the several State offices relating to the claims of the State of Nevada, and as successor to the Territory of Nevada, and for which Congress has made provision to have examined and audited by the Secretary of the Treasury, in connection with the Secretary of War, under the conditions contained in the Acts of Congress approved July 27, 1861, and June 27, 1882, and the rules and regulations of the Treasury Department issued in compliance therewith. As a result of this examination I find that the money actually paid and liabilities assumed by the State of Nevada, and as successor to the Territory of Nevada, on account of pay, supplies, transportation, and miscellaneous expenditures during the war of the rebellion, aggregates the sum of \$349,697 49.

Second—Amount actually paid and liabilities assumed by the State of Nevada, on account of pay, supplies, transportation, and miscellaneous expenditures during the White Pine Indian disturbances, in 1875, aggregate the sum of \$17,650 98.

Third—Amount actually paid and liabilities assumed by the State of Nevada, on account of pay, supplies, transportation, and miscellaneous expenditures, during the Elko Indian disturbances, in 1878, aggregate the sum of \$4,654 64.

Fourth—The total sums thus paid and assumed by the State of Nevada for the foregoing aggregate the sum of \$372,003 11.

I desire here to express my obligations to the several State officers for their courtesies in extending to me every facility to make this examination as complete and accurate as possible, * * * * and should the amount of these claims ever be paid into the State Treasury of Nevada, the credit from the people of the State will be due to yourself, who originated, over two years ago, the measures and the steps taken for this reimbursement by the United States, and to Mr.

Hallock for the indefatigable and continuous labor and time bestowed in collecting the evidence to support these claims, and including, of course, the labors of the Nevada delegation during the first session of the Forty-seventh Congress, resulting in the legislation by which the State is now authorized to present these claims for examination, audit and payment. In conclusion, I beg to inform you that in this class of claims the United States regards the several States as disbursing agents for the Treasury Department of the United States, and therefore the accounting and auditing officers invariably insist upon the original vouchers and papers being filed with them as a condition precedent to any examination thereof being made by the Treasury Department.

The earlier these papers are presented to the United States Treasury Department, the earlier, of course, will the ultimate result desired be reached, to-wit: an appropriation hereafter by Congress, and I therefore beg to suggest to you that all these papers be carefully boxed and sent by express to my address in Washington city, in order that I may complete what is yet to be done under the appointment as your State Agent, made by yourself and the Hon. State Board of Commissioners for Nevada.

It is proper that I should also call your attention to the fact that the law makes provision for the payment for all horses or other property lost either by the State or by individual citizens of the State, and that if any such cases as these exist the parties interested should make such facts known to your Excellency, so that these cases and all evidence in support thereof should be promptly filed with the United States Treasury Department. Very respectfully, your obedient servant,

JOHN MULLAN,
State Agent for Nevada at Washington, D. C.

CONSTITUTIONAL AMENDMENT.

I respectfully call your attention to the concurrent resolution passed by the Ninth and Tenth Legislatures providing for the amendment of Section 2, Article IV., of the State Constitution, so as to postpone until the first Monday in February the biennial meetings of the State Legislature. As no provision was made by your predecessors for submitting this amendment to the people, it has not yet been placed before them for final action. The need of this amendment must be very apparent.

CONSTITUTIONAL CONVENTION.

There has been considerable discussion in the press and among the people regarding the necessity or advisability of calling a Convention to revise the State Constitution. Doubtless, changes, some of them radical, are and will be suggested and demanded. I am strongly

impressed, however, with the belief that all needed revision or amendment can be as well accomplished without the expense of a Convention called for that purpose. Much of the reform demanded in the matter of reducing the expenses of State and county government can be effected by legislation, while the still more important changes in respect of revenue can be as well accomplished by amendments to the Constitution as by a revision of that instrument. I believe we should not hastily attempt to change our organic law, and do not feel convinced that the time has yet arrived when an entire revision has become indispensable. Allow me to suggest the propriety and economy of the selection, by your respective bodies, of a joint committee upon Constitutional revision and amendment, to sit during the session, and report from time to time such changes as may be suggested or demanded by the public, with their views thereon, together with such amendments as the committee may originate and favor. I think the adoption of this plan would secure a comparatively full discussion of proposed changes in our organic law, and effect desired results, without loss of time, and, perhaps, with greater security and satisfaction to the electors and taxpayers of the State.

MINES AND MINING.

Referring to my remarks elsewhere on this subject, I will add that this paramount industry of the State should be fostered by judicious legislation. The growth of all other branches of business in our State depends, in great degree, upon extended and successful mining operations. Our neighboring States and Territories, through public spirit, private enterprise and fair railway charges, proffer inducements to investigation of their mineral resources, and offer reasonable guarantees for the safety and protection of capital from abroad to aid in the development of this important interest. I believe our State unequalled in the extent and variety of her mineral wealth. Much of this lies dormant for lack of capital and transportation facilities. The decline in the production of the great Comstock Lode (which I trust will not be permanent) has through unjust comparison greatly retarded the prosecution of the mining industry in other portions of the State. In several districts, remote from the Comstock, mines are now being opened that give promise of a large bullion product in the near future. Improved machinery will utilize and render valuable our low grade and hitherto unproductive ores and insure a more extended and profitable industry. The taxation of mines is, and probably will continue to be, a vexed question. It

remains with you to determine whether a more equitable system of deriving a revenue for the State and county governments from this great industry can be devised.

THE DENVER EXPOSITION.

The managers of the late Denver Exposition strongly and repeatedly urged upon the Executive of this State the appointment of one or more Commissioners to represent us at that exhibition. Having no funds at my disposal for such purpose, I could only ask some public-spirited citizen to volunteer his services. After repeated failure in applications to those most directly interested and financially able, three citizens of Lander county volunteered to pay the expenses of a Commissioner in the confident belief that the Legislature would reimburse them for the necessary outlay. I thereupon appointed Mr. E. T. George, of Lander county, as State Commissioner, and aided him in every possible manner to give the State a creditable exhibit. From private parties, and through the courtesy of the Curator of the State Cabinet, a fair display was made. I refer you to the report of Commissioner George for the results, as well as for his account of expenditures. Mr. Allen A. Curtis, of Austin, Lander county, generously donates \$500 as his portion of the expenses incurred. The other gentlemen can ill afford to pay from their own pockets the expense of what should be a State charge. Mr. George sends an itemized bill of his expenses, which are certainly very low. This, with other papers connected with this matter, I herewith transmit for your information, together with a memorial urging that another Exposition be held during the year 1883. Later in the year I appointed Mr. Byron G. Smith, of Esmeralda county, an additional Commissioner, who took with him numerous and varied specimens of our resources—principally of borax, salt, etc.—at his own expense. His report is likewise transmitted. I respectfully urge an appropriation to refund the expenses of these gentlemen, and direct your attention to the propriety of a further appropriation to cover the necessary expenses of a Commissioner to the contemplated Exposition in the coming year, believing it will be of much value to the State. A careful examination of the Commissioners' reports and recommendations will, I trust, convince you of the importance of presenting to the world a satisfactory exhibit of our unequalled mineral resources.

GENERAL REMARKS.

It is apparent that economy must be the rule in our State and

county governments. The prevailing idea of retrenchment appears to be limited to the reduction of the salaries of State officers and the possible consolidation of some of the constitutional offices. The last Legislature, in my opinion, went far enough in the first direction; in the latter, my experience and observation force the conclusion that, with the possible exception of Superintendent of Public Instruction, the duties of which office might, perhaps, be reasonably placed upon some other State officer, other consolidations could not be wisely nor safely made. The reciprocal checks, necessary in the administration of the State Government, would be eliminated, to the detriment, if not danger, of the public service. As now organized, each of several constitutional officers is a check upon the other, and without a general conspiracy among them, no great fraud could be perpetrated nor public harm result. It is evident that unwise consolidation might jeopardize the administration of public affairs. The root of evil in unnecessary expenditures lies deeper, viz.: in the county governments. The cost of collecting the revenue, both of State and counties, is excessive. The State now receives, including amount deducted for armory rents, but about 86 per cent. of the tax collected for State purposes. In the western part of the State we have too many counties, entailing heavy burdens upon taxpayers. Three or four of these, comparatively small in area, might, with safety and but little public inconvenience, be merged into one, dispensing with the great expense and unnecessary machinery of several county governments.

I have heretofore recommended a revision of the present law governing the organized militia of the State. I respectfully renew that recommendation. The amount paid for armory rents is excessive and an extravagance the State can ill afford. The Adjutant-General's report will give you details of the militia organization.

The appropriation for the relief of the sufferers by the breaking of the Little Valley dam, near Franktown, Washoe county (\$750), was disbursed by the authorized committee, I doubt not, judiciously.

Of the \$4,000 appropriated for "payment of rewards offered by the Governor," the sum of \$1,520 has been expended, all of it during the year 1882.

Fish Commissioner H. G. Parker reports most encouraging results from the partially experimental work under his charge. The hatching and planting of different species of superior food fishes have become a popular industry in nearly every State in the Union. The enterprise appears to meet with such general discussion and approval,

and the benefits to be derived are so important and well assured, that to foster it would seem good policy. To that end I therefore recommend a moderate appropriation.

CONCLUSION.

In severing, with the transmission of this message, my connection with public affairs as the Executive of this State, and in parting with the officers of the present State Government, I desire to bear witness to their efficiency, capability and integrity in the discharge of their varied and responsible duties. To the heads of the several Executive Departments I tender my grateful acknowledgment of their uniform courtesy, willing aid and diligence in furthering the business of the State Government. They have always promptly and cheerfully responded to any call made upon them by the Executive. The Lieutenant-Governor has ably aided and seconded me at all times. In transferring the administration of the State Government to my successor, I am glad to feel and know that it will receive the efforts of an energetic, capable and upright officer, to render it economical and successful. With your aid, gentlemen, which I bespeak for him, this State is certain of good government. The past four years, during which I have had the honor, as well as the responsibility, of being at the head of the State Government, have not been exceptionally, nor even more than ordinarily prosperous, for our people. In the discharge of my official duties I have endeavored to study and act for the best interests of the whole people of this Commonwealth. The current revenue has been largely diminished by the decline in bullion production, but by close economy and, as I trust, a judicious policy of retrenchment and conservatism, the State Government has been kept upon a sound financial basis, and its successful future seems assured. May your legislative action confirm and cement the attachment of our people to their State and Nation.

JOHN H. KINKEAD,

Governor.

APPENDIX.

PARDONED AND RESTORED TO CITIZENSHIP BEFORE EXPIRATION OF TERM OF SENTENCE.

NAME.	Crime.	Sentence.	Date of Sentence.	Date of Pardon.
Taylor, Jennie.....	Assault to kill.....	2 years..	September 19, 1880....	.....January 11, 1881
Cavanaugh, Medore.....	Burglary	3 years..	September 11, 1879....	.....January 11, 1881
Campbell, James.....	Grand larceny.....	3 years..	June 6, 1879.....	.....January 11, 1881
Gleason, James.....	Murder, second degree.....	21 years..	June 11, 1875.....	.....February 7, 1881
Baldwin, G. H.....	Mayhem	5 years..	March 25, 1878.....	.....April 11, 1881
Harris, J. H.....	Grand larceny.....	5 years..	February 26, 1879.....	.....April 11, 1881
Wiebusch, C. P.....	Robbery	5 years..	December 17, 1879.....	.....April 12, 1881
Rhett, Frank.....	Murder, second degree.....	Life	July 15, 1874.....	.....April 12, 1881
Chow, Ah.....	Murder, second degree.....	Life	December 20, 1866.....	.....April 12, 1881
Smith, Frank M.....	Assault to kill.....	10 years..	January 25, 1877.....	.....May 9, 1881
Brown, Mark, Jr.....	Jail-breaking	3 years..	February 6, 1880.....	.....July 11, 1881
McTague, John B.....	Assault to do bodily injury.....	1 year....	November 2, 1880.....	.....July 11, 1881
Tracy, W. C.....	Robbery	17 years..	November 10, 1873....	.....July 12, 1881
Hickman, Henry.....	Assault to rape.....	14 years..	June 15, 1872.....	.....July 12, 1881
Parsons, E. B.....	Robbery	20 years..	December 25, 1870....	.....November 7, 1881
Stout, John.....	Robbery	20 years..	January 13, 1872.....	.....November 8, 1881
Bleakley, F.....	House-breaking.....	1 year....	September 13, 1881....	.....November 8, 1881
Riley, James.....	Robbery	10 years..	January 27, 1875.....	.....November 8, 1881
Hickman, Wm.....	Grand larceny.....	3 years..	November 29, 1880....	.....November 8, 1881
Caho, J.....	House-breaking, g. larc'y & burg'y	12 years..	July 30, 1877.....	.....November 8, 1881
Dwyer, Wm. J.....	Assault	*	September 29, 1881....	.....November 8, 1881
Indian Bob.....	House-breaking.....	1 year....	June 21, 1881.....	.....January 9, 1882
Donovan, John.....	Murder, second degree.....	Life	August 14, 1874.....	.....January 9, 1882
Gould, Mrs. A.....	Selling liquor to Indians.....	†	February 17, 1882.....	.....April 10, 1882

Squires, John.....	Robbery and prison-breaking.....	24½ years	December 25, 1870.....	April 10, 1882
Beasley, Thomas.....	Assault to do injury.....	1 year...	October 3, 1881.....	April 10, 1882
Roth, George.....	Murder, 2d degree, and killing....	43 years..	December 10, 1870.....	April 10, 1882
Eames, Frank T.....	Embezzlement.....	2 years..	March 2, 1881.....	April 11, 1882
Coombs, John.....	Grand larceny.....	3 years..	June 17, 1881.....	April 11, 1882
Organ, Peter.....	Assault and battery.....	†	April 20, 1882.....	May 16, 1882
Laurie, Thomas.....	Assault to rob.....	14 years..	December 8, 1877.....	June 20, 1882
Summers, Wm.....	Murder, 2d deg.; commuted to life.	Life	December 30, 1874.....	July 10, 1882
Conolly, Patrick.....	Assault to rape.....	2 years..	August 6, 1881.....	July 10, 1882
Rosemargay, Wm.....	Murder, second degree.....	15 years..	September 19, 1874.....	July 10, 1882
Cockrill, Tilton.....	Robbery	22 years..	December 25, 1870.....	July 11, 1882
Mazoo, James.....	Burglary	1 year...	April 11, 1882.....	July 11, 1882
Zani, Carlo.....	Killing a cow	4 years..	August 2, 1880.....	July 11, 1882
Cockrill, Tilton.....	Jail-breaking	1 year...	Expir'n prev's sentence.....	July 12, 1882
Carrigan, Michael.....	Assault to kill.....	10 years..	September 14, 1875.....	July 12, 1882
Chartz, Alf.....	Murder, second degree.....	Life	August 12, 1878.....	November 14, 1882
Carrick, B. F.....	Embezzlement.....	5 years..	January 1, 1881.....	November 13, 1882
Crawford, John L.....	Grand larceny.....	6 years..	June 6, 1879.....	November 13, 1882
Marks, Morrison.....	Assault to kill.....	10 years..	September 13, 1879....	November 13, 1882
Overstreet, J. A.....	Assault to kill.....	2 years..	March 21, 1882.....	November 14, 1882

*Six months in Lander County Jail.

†One hundred and eighty dollars fine, or ninety days in Storey County Jail.

‡Four months in Humboldt County Jail.

PARDONED AND RESTORED TO CITIZENSHIP AFTER EXPIRATION OF TERM OF SENTENCE.

NAME.	Crime.	Sentence.	Date of Sentence.	Date of Pardon.
Clark, James.....	Manslaughter.....	3 years...	July 31, 1878.....	.....April 12, 1881
Anderson, James.....	Burglary	1½ years.	November 19, 1879....	.....April 12, 1881
Dunn, John.....	Grand larceny.....	1½ years.	March 6, 1880.....	.....July 12, 1881
Darling, John R.....	Robbery	10 years..	November 16, 1870....	.....January 11, 1882
Hamilton, John.....	Grand larceny.....	5 years...	August 29, 1877.....	.....January 11, 1882
Hayes, Henry.....	Burglary.....	3 years...	March 25, 1878.....	.....January 11, 1882
Moresi, Pascal.....	Assault to kill.....	2½ years.	February 14, 1880.....	.....April 11, 1882
Gaffney, Luke.....	Manslaughter.....	3 years...	July 15, 1879.....	.....April 11, 1882
Jones, Wm.....	Assault to do bodily injury.....	2 years...	September 17, 1879....April 11, 1882
Heath, Charles.....	Assault to kill.....	1 year....	December 2, 1881.....October 9, 1882

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