

APPENDIX
TO
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OF THE
TWENTY-SIXTH SESSION
OF THE
LEGISLATURE OF THE STATE OF NEVADA
1913

VOLUME I



CARSON CITY, NEVADA
STATE PRINTING OFFICE . . . JOE FARNSWORTH, SUPERINTENDENT
1913

STATE OF NEVADA

MESSAGE

OF

GOV. TASKER L. ODDIE

TO THE LEGISLATURE OF 1913

(Twenty-Sixth Session)



CARSON CITY, NEVADA

STATE PRINTING OFFICE : : : JOE FARNSWORTH, SUPERINTENDENT

1913

GOVERNOR'S MESSAGE

STATE OF NEVADA,
EXECUTIVE DEPARTMENT,
CARSON CITY, January 20, 1918.

To the Honorable the Senate and Assembly:

Complying with the provisions of the Constitution, I have the honor to submit to your honorable bodies the condition of the State and certain recommendations which seem to me to be expedient for legislative action.

The State of Nevada owes no debt except to itself. It has no outstanding bonds or other evidences of indebtedness aside from between funds in its own treasury. On the other hand, we hold the bonded obligations of the Federal Government and two other States, on which our School Fund is receiving interest, in the sum of \$1,500,000, and there is owing the State, as balances due on contract lands, drawing 6 per cent interest, the sum of \$1,201,857.50; a total of interest-bearing securities aggregating \$2,711,857.50. The assessed valuation of our taxable property, in 1912, was \$101,087,079.98, an increase of nearly \$6,000,000 over the previous year and equivalent to a 336 per cent increase since 1902.

The State's indebtedness to its own School Fund (under its constitutional borrowing limit of \$300,000), less moneys in the treasury applicable to its redemption, is \$181,617.05. Thus, from the standpoint of resources, the solvency of Nevada is of high rank among the States. The present situation, relating to a deficiency of income in the General Fund, has no signification with respect to any diminution of the State's resources or lessening of its solvency.

The beginning of 1913 finds our people prosperous and the outlook more promising than at any time since the financial crisis of 1907. There is a healthful tone throughout the State. While there is less oversanguine exploitation of mines, there is far more actual mining than ever before in our history. Our banks are readjusted on a foundation so secure that a recurrence of the disasters of five years ago is rendered highly improbable. Our agricultural development is beginning an era of great promise. Private enterprise, under the Carey Act, is engaged in determining the feasibility of reclamation projects in many of our valleys, with the outlook that extensive areas of our desert lands will be reclaimed within the near future. We are today manufacturing sugar from Nevada-grown sugar beets, and a new industry is thus inaugurated which contains abundant promise. In the last year some part of the westward drift of homeseekers has been deflected to Nevada, and more new settlers have come to the State than in any previous year in our history. In the two years past we have enacted a workmen's compensation law, to recompense employees injured in hazardous occupations; and have passed and enforced legislation to protect miners from injury and death in underground mines by requiring modern safety and fire-fighting appliances to be introduced, kept and used by mining companies. The eight-hour work-day is generally enforced. The State has shown its ability, under the State Police law, to cope with strike situations and thus render service to both sides by impartial action in preserving the peace and preventing violence, until calm judgment, leading to mutual concessions and agreement, prevails; thus preventing the bitterness, suffering, and loss inevitably coincident with protracted industrial warfare. Nevada, today, ranks first among the States in the efficiency and equity of such exercise of its police powers.

We are beginning to take more interest and concern in our system of municipal, county and state government; to inquire into the efficiency of the same, with respect to cost, and to consider wherein that which is obsolete or useless may be modified or eliminated and that which is beneficial can be perfected.

When considering high rates of taxation, we have hitherto been more apt to complain at beneficial innovations, ignoring time-honored waste and extravagance. It is proverbial that the public rarely probes into what is of long standing, which has come to be considered validated by time and custom, but attacks innovations, regardless of their benefit, as the conceived root of the excessive cost of government.

Our fundamental need, today, is to correct our system of taxation. It is known to be inequitable, working grave injustice and hardships, while the high rates of taxation operate as a brake and drag on our industrial progress. Next to the reform of our taxation system, so that every class of property will be compelled to bear its just share of the burden of government, comes the problem of perfecting our system of state, county and municipal government, so that waste will be eliminated and efficiency increased. That is the only definition of true retrenchment. Any other standpoint of reducing expenses is superficial.

Again, there is the disposition to direct the spot-light of retrenchment on the state government exclusively, giving the county and municipal governments the benefit of any doubt as to possibly being as fruitful fields of inquiry for waste and extravagance. In this connection it is to be remembered that from the standpoint of the taxpayer's pocket, the waste of a dollar in the state government is divided among the total taxpayers of the State, while the waste of a dollar in a county must be borne by the taxpayers of the county alone, and if in a

municipality, by those of the municipality alone. Thus a waste of 20 cents in Elko or Washoe Counties, for example, affects the taxpayers of these counties as heavily as the waste of a dollar by the State; and a waste of a few cents in many of our municipal governments is more of a burden on the taxpayer than a dollar's waste by the State. The taxpayer pays a state tax, a county tax, a district-school tax, and if he is a resident of a town, a municipal tax. His total taxes may mount very high, in instances to over \$3 on each \$100 property valuation. But of this amount, 60 cents only comes to the State, and a considerable part of this goes back to the counties in support of the public school system, half the salaries of Assessors, etc., besides taking care of the orphans, insane, and convicts of the counties.

The cost of the strictly executive branches of the state government—excluding the legislative, judicial and educational departments, charitable and penal institutions—but including all elective and appointed state officers, boards and commissions and the State Police, in round numbers is about \$250,000. This represents 25 cents, approximately, of the state tax rate, or \$2.50 on each thousand dollars of taxable property. The Washoe County property owner who now pays \$17 taxes on each thousand dollars of taxable property, if all these executive departments were eliminated, would still have to pay \$14.50. If in White Pine County, where he now pays \$21, he would still have to pay \$18.50 taxes per thousand, if the executive departments, boards and commissions all were eliminated. In Lyon County the relief would be in the ratio of \$20 to \$17.50, etc. In the foregoing, no comparison is made with the taxpayers residing in municipalities, where the tax rate is frequently double the state and county rate. In Reno, for example, the relief from such abolition of the total expense attached to the executive departments, boards and commissions, would be in the

ratio of \$34 to \$31.50 on each thousand dollars of taxable property.

Now, it is not altogether futile to introduce such comparisons. It is quite clear that even drastic wholesale elimination of the executive departments, appointive offices, boards and commissions of the state government, if that were possible, would not effect any startling measure of relief to the taxpayer—much less so, if the pruning were only partial and amounted to the abolition of an office or a commission or two. On the basis of \$100,000,000, in round numbers, taxable property in the State, the pruning of each \$1,000 from the cost of the state government would make a difference of but one cent the property-owner has to pay in taxes per thousand dollars assessment valuation. Thus, if the pruning is \$50,000, when it is translated in difference to the ultimate taxpayer, he saves 50 cents on each thousand dollars of property valuation. A \$100,000 saving would thus make a dollar's difference on each thousand dollars of property valuation.

Now, from the foregoing, it must appear that the taxpayers of the State, who are complaining (and justly, there is no question) of the burden of taxation, are not likely to find the problem of relief so simple as many seem to think. When analyzed, it resolves itself into ramifications which include fundamentally the present inequitable system of taxation (by which much property escapes taxation or is undervalued), and an overhauling of municipal and county governments as well as that of the State, to eliminate waste without reducing efficiency. Lastly, it involves the proposition discussed by me in a former message to the Legislature, as follows:

"That we should address ourselves to the ways and means of bringing more population and creating more taxable property in this State. That this work of State upbuilding permits of no postponement without inviting

in the measurable future a crisis in the State, between the natural desire of our people for progressive institutions and their ability to maintain them."

For with a fixed cost of maintenance for institutions which we have come to believe as necessary to our civil government—for the same reason that advanced ways of living have supplanted the simpler modes of living of former times—the expense to the taxpayer, of such institutions, will be in an inverse ratio to the quantity of taxable property on which the burden of maintenance is assessed. Thus many problems interlock and have a more or less important bearing on this great problem now up for solution, which may be expressed as: How to maintain and increase the efficiency of our system of government and at the same time reduce the burden of its maintenance.

In November last, Senator Newlands proposed that, in advance of the meeting of the Legislature, a citizens' committee be appointed by himself, Lieutenant-Governor Ross, Senator Massey and myself to investigate the subject of taxation and retrenchment and to submit its findings for the use and benefit of your honorable bodies. The proposal met with my instant acceptance, since it was in accord with what I had urgently called to the attention of the previous Legislature and the people of the State. The members of the committee so appointed have given earnest attention to the work before it, and I believe when its report is submitted will present valuable information and recommendations for the consideration of your honorable bodies. I have confidence in your wisdom and good intent, from the primary standpoint of the highest welfare of the State, in dealing with this problem, and that your deliberations when crystallized into law will be a stimulating factor in the development and progress of Nevada.

I would recommend that the expenses of the foregoing

citizens' committee, including the members' traveling and hotel expenses, be paid by the State.

STATE FINANCES

The following tabulations are based on the report of the State Controller for the four years preceding, and will afford a general survey of our fiscal affairs, by comparative periods:

The State has a certain class of fiscal transactions which are not properly chargeable as receipts or disbursements in the ordinary sense. These are the receipts from sales of school lands, penal fines, escheated estates, etc., which are required to be invested for educational purposes in government and state bonds, and the transactions involving bond purchases and redemptions. The interest, only, becomes a receipt, in the proper sense, and is applicable for educational purposes and none other. Thus, from the standpoint of disbursements to conduct the government in all its branches, including our educational system, we have two characters of receipts; one derived from the interest upon loans of its school funds, and the other the ordinary income from taxation, licenses and other miscellaneous sources.

The following table shows the receipts proper of the state government from each of these last-mentioned sources, but excluding bond transactions and receipts belonging to the principal of trust funds:

Year	Educational	Taxation, etc.	Total receipts
1909	\$147,663.81	\$185,257.34	\$332,921.15
1910	151,839.77	696,403.05	848,242.82
1911	149,876.69	700,923.25	850,799.94
1912	148,884.86	779,075.54	927,960.40
Totals	\$598,265.13	\$2,401,659.18	\$3,459,924.31

The disbursements of the state government for each year of the same period, excluding bond purchases, were as follows:

<i>Year</i>	<i>Educational</i>	<i>Legislative</i>	<i>General</i>	<i>Total disbursements</i>
1909.....	\$415,703.48	\$43,691.66	\$580,095.61	\$1,059,490.75
1910.....	311,847.55	576,284.71	888,132.26
1911.....	331,717.83	69,254.85	608,022.81	1,008,995.49
1912.....	338,524.69	12,065.17	639,495.70	990,085.56
Totals.....	\$1,397,793.55	\$145,011.68	\$2,393,898.83	\$3,941,704.06

Under the heading "Educational" is included expenditures in support of the entire educational system of the State, including the University. General disbursements include all other expenditures of the state government, offices, departments, commissions, boards, charitable and penal institutions and miscellaneous expenditures, aside from sessions of the Legislature. The total cost of the state government the past two years, as compared with the previous biennial period, shows an increase of \$46,458.04, of which \$12,065.17 relates to the special session of the Legislature, in 1912, leaving, for comparative purposes, a net excess cost of \$34,392.87 for the last two years, or an increase of approximately 2 per cent.

The following table shows the receipts and disbursements of the state government, by comparison of the totals of the tables previously given:

<i>Year</i>	<i>Receipts</i>	<i>Disbursements</i>	<i>Deficit</i>
1909.....	\$832,931.15	\$1,059,490.75	\$226,559.60
1910.....	848,242.82	888,132.26	39,889.44
1911.....	850,799.94	1,008,995.49	158,195.55
1912.....	927,960.40	990,085.56	62,125.16
Totals.....	\$3,459,934.31	\$3,941,704.06	\$481,769.75

The foregoing deficiency, showing in each year since 1909, falls very largely on the General Fund and for all intents and purposes may be so considered. A comparison of the net cash balances in the General Fund, after deducting outstanding warrants, at the beginning of each year shows as follows:

January 1, 1909.....	\$451,082.20
January 1, 1910.....	241,398.18
January 1, 1911.....	175,020.50
January 1, 1912.....	44,514.16*
January 1, 1913.....	54,422.25

There was \$276,061.70 less in the General Fund on January 1, 1911, than on January 1, 1909, showing that the deficit between the income and expenditures for 1909-1910, aggregating \$288,449.04, had been largely met by a draining of this fund.

Now the cash balance on January 1, 1909, showed a surplus over the amount necessary to cover the expense of the legislative session and to meet the normal disbursements from it until June 30, following, (which may be estimated at \$350,000) approximating \$100,000. On the other hand, on January 1, 1911, the same basis of accounting (\$350,000 required) shows an actual deficit in the General Fund of \$175,000; there being, to that extent, insufficient moneys to meet the expense of the Legislature and conduct the government until June 30, 1911. These differences disclose why the deficits of 1909-1910 did not create a crisis in our fiscal affairs during those years.

In the four years, 1909-1912, inclusive, the total deficit between receipts and disbursements was \$481,769.75. A comparison of the aggregate net cash balances in all funds in the State Treasury, exclusive only of the State School Fund, University Fund 90,000-Acre Grant, and the State University Fund, which are strictly investment funds, shows the following:

January 1, 1909.....	\$708,770.59
January 1, 1913.....	304,625.84
Deficit	\$399,144.75

*Includes computation of balance due on account of exceptionally large delayed county settlements.

The State's net indebtedness on January 1, 1909, was \$98,837.11, and on January 1, 1913, was \$181,617.05, an increase of \$83,279.94, which added to the deficit occurring in the funds during the same period checks within a small margin of error, due to hurried computations, with the foregoing deficit for the several years as shown by comparison of receipts and disbursements.

It is clear that the reduction of the state tax rate in 1909 from 70 cents on each \$100 valuation to 60 cents, accompanied with a reduction of the portion applying to the General Fund from 47 cents to 39.6 cents, was unwarranted by the State's required expenditures, and has produced an annual deficit between income and disbursements since. Moreover, a large falling off in receipts from the Secretary of State's office as compared with the period 1905 to 1908, and the deflection of all poll-tax receipts to the counties, further accentuated the loss of revenue.

It seems imperative, under present conditions, that the State's borrowing power be exercised to its constitutional limit. In this connection I would recommend that the present outstanding debt be funded in a new loan of \$300,000, and that for the succeeding three years the interest only of this loan be provided for in the tax rate, leaving the redemption of the principal to begin after that time. By refunding in this way our existing indebtedness, the 6 cents of the state tax rate, now applying to the interest and redemption of the principal of outstanding loans, amounting to over \$60,000 per year, can be used for state purposes, while for the next three years, until we begin the redemption of the principal, a rate of 1.2 cents, of the state tax rate, bringing in something over \$12,000 per year, will meet the interest on the \$300,000 state debt. By such extension of our credit to the constitutional limit we can realize about \$118,000 cash to supplement our present finances.

.In the matter of appropriations I would recommend that, other than for the fixed public expenses, all appropriations relating to buildings, improvements, etc., be made applicable after January 1, 1914.

A CONSTITUTIONAL CONVENTION

It seems not improbable that by the end of four years the necessity of a revision of our State Constitution will be a matter of great urgency. No harm can possibly happen from the passage, by this Legislature, of a resolution looking to a constitutional convention, which will of necessity have to be concurred in by the Legislature of 1915 and thereafter submitted to a vote of the people before it can become operative. Meanwhile the subject of its expediency can be thoroughly discussed and, should it be found advantageous, two years' time will have been gained, otherwise a succeeding Legislature or the popular vote can rescind it.

CONSTITUTIONAL AMENDMENTS

A number of States have modified the section of their organic law relating to amendments, by providing that one Legislature, and not two, as required in our State, is sufficient to propose a constitutional amendment for submission to the electors.

The last Legislature proposed a constitutional amendment extending investments of the state school funds to include county bonds. This is a step in the right direction, and, while I believe this proposed amendment should be ratified by your honorable bodies, I would suggest the advisability of proposing an additional amendment, which if ultimately adopted would take effect two years after the former, permitting the investment of the state school funds in first mortgage loans on farm realty, after the manner of Oregon and certain other States, and in the debentures of rural credit associations, similar to the *Landschaften* system of Germany, when organized under the provisions of any law recommended

for uniform adoption by the States by the national commission investigating such system.

A third constitutional amendment, for which there is a general public demand on the part of all persons conversant with the fiscal affairs of the State, relates to increasing our borrowing power from its present inadequate limit of \$300,000. When Nevada was organized as a State this limitation was a wise provision, due to small resources and a population which had then to be considered as almost transitory. The State's development since in wealth and stable population necessitates a greater latitude for the proper exercise of its credit. The experience of other States, counties and municipalities leads to the conviction that the borrowing power of a political sovereignty should be defined, not by a specific sum, but by a flexible limitation, determined from the computation of a fixed per cent of its taxable property, which thus expands automatically with its increase of wealth.

ELECTION OF SENATORS BY DIRECT VOTE OF THE PEOPLE

The attention of your honorable bodies is called to the fact that the Sixty-second Congress of the United States proposed an amendment to the Federal Constitution providing that Senators shall be elected by the people of the several States, and which I herewith submit for your action, with the recommendation that the same be ratified:

[H. J. Res. 39]

SIXTY-SECOND CONGRESS OF THE UNITED STATES OF AMERICA: AT THE SECOND SESSION

Begun and held at the City of Washington on Monday, the fourth day of December, one thousand nine hundred and eleven.

JOINT RESOLUTION

**PROPOSING AN AMENDMENT TO THE CONSTITUTION PROVIDING
THAT SENATORS SHALL BE ELECTED BY THE PEOPLE OF THE
SEVERAL STATES.**

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House

concurring therein), That in lieu of the first paragraph of section three of Article I of the Constitution of the United States, and in lieu of so much of paragraph two of the same section as relates to the filling of vacancies, the following be proposed as an amendment to the Constitution, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the States:

"The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof, for six years; and each Senator shall have one vote. The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the state legislatures.

"When vacancies happen in the representation of any State in the Senate, the executive authority of such State shall issue writs of election to fill such vacancies: *Provided*, That the legislature of any State may empower the executive thereof to make temporary appointments until the people fill the vacancies by election as the legislature may direct.

"This amendment shall not be so construed as to affect the election or term of any Senator chosen before it becomes valid as part of the Constitution."

CHAMP CLARK,

Speaker of the House of Representatives.

J. S. SHERMAN,

Vice-President of the United States and President of the Senate.

I certify that this Joint Resolution originated in the House of Representatives.

SOUTH TRIMBLE, *Clerk.*

THE FRANCHISE FOR WOMEN

In California, Washington, Oregon, Idaho, Utah and Arizona—every Pacific Coast State except Nevada—the right of franchise is now granted women. Thus we are entirely surrounded by States which have marked their advance by giving women the same right to vote on public questions and for public officials as men. Two years ago our Legislature proposed an amendment removing the constitutional barrier which denies women this right in Nevada. This amendment will have to be favorably acted upon by your honorable bodies and finally submitted to a vote of the people before it can become a part of our organic law. The sentiment in its favor seems to be overwhelming and participated in by all political parties, for which reason, and from my own

personal convictions of its justice, I recommend that your honorable bodies concur in the same by appropriate action.

In connection with the more equitable readjustment of the status of women before the law, I recommend that the statute which gives the father sole authority over the custody, services, earnings and management of the property of a minor child be amended by making both parents joint guardians thereof.

JUVENILE PROBATION OFFICERS

I recommend that the District Deputy Superintendents of Public Instruction be made ex officio juvenile probation officers for the counties within their respective jurisdictions, in the absence of regularly appointed probation officers, and that some suitable provision be made for the care of juvenile delinquents apart from our ordinary penal institutions, where they can be instructed in agriculture, trades and other useful pursuits.

ELECTION LAWS

The direct primary was established to destroy political bossism by providing that the nominees of political parties be chosen by direct ballot of all the electors as against the convention system as formerly conducted. In its practical workings in Nevada, the past two elections, its good and bad features have been pretty well understood. There is a disposition among many consistent believers in the merits of the direct primary to question whether a return to the convention system of nominations, but with a strict primary for the election of convention delegates and with a statute regulating proxies, or providing for alternates, would not furnish us with a simpler and less expensive system than the present, and at the same time prevent a recurrence of the evils formerly complained of. I submit the matter to your consideration without recommendation.

In relation to the stamping or marking of ballots by voters, I believe that the law should require the counting of every ballot where the intent of the voter is clear, regardless of imperfect or accidental markings, where there is no reasonable ground to suspect that such markings are for the purpose of identification. An examination of thousands of ballots in contests and recounts discloses hardly an instance of a ballot marking which might reasonably be believed to have been otherwise than accidental or through ignorance of the required mode of stamping the voter's choice. On the other hand, the rejection of ballots for imperfect or accidental markings is a fruitful source of dissatisfaction with the findings of election boards and the cause of many unnecessary recounts.

THE DIVORCE LAW

With regard to the divorce law, our statute is substantially in accord with that proposed for uniform adoption by the American Bar Association, and our people have no disposition to modify or abridge the grounds for divorce which experience has shown to be just and socially beneficial. It has, however, become intolerable for this State longer to continue in the position, by virtue of the six-months' residence section of the Act, of correcting the evils arising from the antiquated restrictive divorce laws of certain of the older States. In an address delivered at the Governor's Conference, at Richmond, Virginia, in November last, I showed that our divorce law, including the six-months' residence section, has been upon our statute books without material modification for more than fifty years as an inheritance of our territorial form of government, and that the present divorce problem has been forced upon the State and is not of our seeking. Moreover, the adverse advertising which Nevada is receiving therefrom is retarding the State's healthful development. I recommend that

the period of *bona fide* residence required under the Act, where the cause of action arose outside the State, be made one year; and that such amendment go into effect January 1, 1914.

THE PRIZE-FIGHT LAW

The good reputation of Nevada has suffered from the so-called Prize-Fight law. The small material benefit which the State has received from the operation of this law has been many times offset by the adverse advertising we have received. I recommend a modification of the present law to conform to the statutes of other States, namely, limiting the number of rounds in such contests to twenty, and reducing the license.

A STATE BOARD OF CHARITIES AND CORRECTIONS

There are certain state institutions which I believe should be entirely removed from any direct or indirect influence from the vicissitudes of political parties, namely: The State Prison, the Orphans' Home, and the Hospital for Mental Diseases. We have by common consent removed the University from politics and it might be well for your honorable bodies to consider the expediency of removing these three other state institutions therefrom. In calling this subject to your attention, it is without criticism and with only the highest regard for the ability and competence of the present heads of these institutions. It is the system, which forces these institutions into politics, that I regard as a mistaken policy, and for which reason I believe that a nonpartisan board of charities and corrections, similar to those of other States, controlling the appointment of the heads and overseeing the management of these institutions, thereby removing them entirely from political influence, would be beneficial. Such a board, in my belief, should be honorary; consisting of seven or nine members; a less number than half of which may belong to the same

political party and at least two members of which should be women; the members to be entitled to receive their actual traveling and other necessary expenses when attending board meetings or visiting such institutions. The board should be authorized to employ a secretary, at a stated salary, who should possess the experience and competence to act as a controller for the purchase of supplies for such institutions. In this connection I believe the saving effected by the purchase of supplies in bulk for these institutions collectively, by a competent controller, would not only cover the cost of such board and the compensation of such secretary, but leave the State a substantial balance to the good. In this connection, your attention is called to the saving which the State Board of Control has effected in California, the past two years, and similar provisions in other States.

ROADS AND HIGHWAYS

A movement which has taken more or less concrete form throughout the country proposes the construction of a transcontinental automobile highway from the Atlantic Coast to the Pacific. The shortest and most feasible survey will bring this road through Nevada, but States both north and south are bidding for it and the final location will be determined largely by what support the States through which it passes may offer. It is likely that the Government may assist in part in such construction, while private contributions from automobile companies, tire manufacturers and automobilists may be relied on for large contributions. It is obvious that the counties through which such a road may be built will be the chief beneficiaries of its construction, and for which reason I recommend the passage of a general Act enabling any county to bond itself for its pro rata of such cost and otherwise meet the terms and conditions likely to be imposed by the Government and contributing associations. Such Act should also cover

cooperation with the Government in post-road construction, which is conditioned on the State or counties bearing two-thirds, and the Government one-third of the expense.

CONVICT ROAD WORK

In my inaugural message, two years ago, pages 16 and 17, I discussed at length the economy, expediency and humanity of employing convicts, under the system now in force in this State, on the public roads. This recommendation was predicated on correspondence dating back to November, 1910, shortly after my election and before I had taken office, with Colorado, and also with the Territorial Good Roads Commission of New Mexico, where the system was first introduced and from which it spread with satisfactory results to an increasing number of other States. The bill which became a law was drawn by my secretary, submitted to my approval before its introduction, and was amended by the Legislature only in the one particular—that convicts delegated to road work were to remain under the control and supervision of the Warden, instead of the State Police, as the original bill provided. I refer to this history (which is easily substantiated by reference to my inaugural message and to certain letters and documents on file in my office) merely to correct some inaccuracies of statement which have been made in respect to the origin of convict road work in Nevada, and not for the purpose of assuming any special credit for the same.

There is no question but that the passage of this law has had a wholesome effect on our prison system, and been the means of giving a new start in life to a large proportion of the discharged and paroled men. About 40 per cent of the total number of our convicts have been performing good service under the honor system on the prison farm and at the road camp. This system was

inaugurated by former Warden Maxwell, in 1910, as will appear from his Biennial Report for 1909-1910, page 5, wherein, discussing the employment of prisoners on the prison farm, he says:

"They (the convicts detailed to the farm) are dressed in citizens' clothing, and are given substantial food. * * * Before being placed on the farm the conditions imposed are explained to them and they are then informed that they are to be placed on their honor, the duty of the foreman and assistant being only to supervise their work and see that all conditions are observed."

During the past two years there have been eight escapes from the road work and six from the prison farm, a total of 14; 8 of these have been recaptured, leaving 6 still at large, but almost certain of apprehension through the operations of the Bertillon system of identification. The detail of prisoners in such beneficial work has relieved the congestion in the prison and obviated the necessity of constructing a new penitentiary, a saving to the State of several hundred thousand dollars. The splendid highway now in course of construction between Reno and Carson City is a testimonial of the good and faithful work of these prisoners. The Prison Board requires the county in which road work is done to pay one dollar per diem per convict employed, and under which Washoe County has contributed \$17,902.50. While even with this contribution the cost of maintenance of road-camp prisoners is about 12¼ cents per diem greater than when confined, the value of such permanent improvements to the State must be taken into consideration and, as well, the fact that unwholesomeness and degenerating effects of prison confinement on those who are not of criminal nature is obviated.

Your attention is specifically called to the recommendation of the Warden that the provision of the Act with respect to time off and compensation, now applying to

the road work exclusively, be also made applicable to those employed on the prison farm, which will tend to improve the service on the latter; also, to further suggestions in his report with respect to improvements, the stocking of the farm, and that receipts from the sale of its product and live stock may be invested in new stock and improvements instead of reverting to the General Fund.

THE STATE POLICE

The cost of maintenance of the State Police the past two years shows a marked increase over preceding years, due to special reasons, as follows: Detail in enforcing the Gambling Act, which went into effect October 1, 1910, and which has necessitated more or less constant repression by this department; the extermination of "Shoshone Mike's" band of murderous renegade Indians, in the winter of 1911; participation in the pursuit of escaped convicts from the road work and prison farm; investigating stock rustlers and making arrests; relief work in connection with the flood at Seven Troughs and Mazuma, and enforcing martial law during the labor strike in White Pine County. The force, when not responding to extraordinary duty, has been reduced to a minimum of five men, consisting of the Superintendent, the Inspector, and three Sergeants, which is the present number. When not in field service those on duty keep up the Bertillon system of criminal identification, which is of great value in the detection of crime and the determination of the history of those charged with crime.

I believe that this department, by the record of its achievements, must establish its inestimable value in the minds of all who carefully consider the probable situation this State would be in today without it. It is the factor which makes for industrial peace and tranquility and the enforcement of law in cases beyond the ability of the

counties to cope with. Its conduct and use as a police organization has been such as to commend the impartiality of its actions. We know what its maintenance costs in dollars and cents, but what this organization has saved the State in the past, in ways which may easily be conjectured as obtaining were there no State Police, is beyond estimation. If the future brings forth no extraordinary occasion for its increase beyond the minimum roster, the cost to the State will not be a serious item. On the other hand, should unforeseen and unhoped-for situations arise, calling for the supreme or the partial exercise of the State, the indispensableness of this department will instantly become valid to all.

STATE ENGINEER'S OFFICE

The work of adjudicating vested water rights in the streams of the State has made a notable advance the past two years and the State is in sight of the final completion of this important work, probably within the succeeding biennial period. Before new rights can be granted, vested water rights in our rivers and streams must be determined and secured from invasion. It has been a work of great complexity, covering many years' painstaking investigation of records and testimony, including stream measurements, survey of reclaimed lands, and the preparation of cultural maps; so that all the material facts and data bearing upon such adjudications are of record. The principal work in the State Engineer's office during 1911-12 has related to the Little Humboldt and the main Humboldt River and its tributaries, in addition to which complete adjudication of White River, Pine, Cherry, and Cottonwood Creeks, and Lamoille and Star Valleys have been made.

During the two years the State Engineer, in conjunction with the Nevada Experiment Station and the United States Department of Agriculture, jointly, have con-

ducted important experiments to determine the duty of water and the losses from seepage and evaporation on different classes of soils. The last Legislature appropriated \$4,000 to meet a similar appropriation by the Federal Government to conduct this work. These investigations are of the greatest value and should be continued by a similar appropriation to meet that of the Government for the ensuing two years.

Certain recommendations of the State Engineer, contained in his report, relating to amendments to the water law and to the fees charged applicants for water permits, which latter will materially increase the income of the office, are specifically called to the attention of your honorable bodies.

BUREAU OF INDUSTRY, AGRICULTURE AND IRRIGATION

Time is a factor in perfecting the organization and working efficiency of any new department; and time is also a factor in educating the public to the benefits of any public service of which the taxpayer has to pay the cost. The problem presented to the Commission of Industry, Agriculture and Irrigation, as it happened, is the largest, most complex and difficult, and, at the same time, the most vital problem in state affairs today—the development of our agricultural and industrial resources, leading to increased population and taxable wealth.

The report of the Commissioner gives the public the first true intimation of the real work performed by the Commission the past twenty-one months, and which will compare on the most favorable terms with the first two years of any other office, board or commission of the state government. A big beginning has been made on a gigantic task. The Commission has attacked the problem of our agricultural development, not superficially, but at its foundation. I am impressed that its program

is rational and well considered, and the only practical line of procedure along which actual results can be secured in stimulating the development and colonization of Nevada. The prosecution of this work I regard as of concurrent importance, for reasons hitherto stated, with the reform of our system of taxation and the perfection in point of economical efficiency of our state, county and municipal governments. I commend this report, especially, to the earnest consideration of your honorable bodies and to the people of Nevada.

QUARANTINE LEGISLATION

Our law in relation to quarantine, both interstate and intrastate, needs careful revision and should be perfected to cover contagious and infectious diseases of cattle, sheep, horses and swine; to prevent the introduction of the alfalfa weevil into Nevada; importations of "foul-brood" colonies of bees; provide for the control and extermination of the potato eelworm, and be sufficiently flexible to cover extraordinary situations requiring quarantine.

PANAMA-PACIFIC EXPOSITION

I recommend that a special state tax of 5 cents be levied for the years 1913 and 1914, the proceeds to go into a fund for the proper representation of Nevada and its resources at the Panama-Pacific International Exposition, at San Francisco, in 1915. This will bring in approximately \$100,000, in four semiannual installments, beginning in December of this year, and ending in June, 1915. In 1911, I appointed, for the time being, an honorary commission to assist me in acquiring a site for the Nevada building on the Exposition grounds, and by such immediate action secured the second choice of sites, without cost to the State. I am advised that to hold this site the State may have to break ground upon it this year. I think there can be no difference of opinion that

we should so govern and conduct our exhibit that the State will receive benefits in excess of its cost. Our resources must be presented, not in haphazard manner, but with the same degree of technical precision which other States have adopted in their exhibits at such expositions. I believe that the Act providing for the exhibit should fix a limit upon the cost of the building; segregate the amounts available for different purposes, rather than a lump appropriation; and very specifically define the conduct and management of the same.

STATE LICENSE AND BULLION TAX AGENT

The report of this department shows the gross production of our mines for 1912, in round numbers, as \$35,000,000, on which the gross collection of bullion taxes on the net proceeds was \$260,000, of which the State received \$54,000. There had been a decrease in 1912 of bullion taxes, county and state, of \$45,000, of which the State's proportion of decrease was \$8,000. The falling off is due to the decrease in bullion production of one important mine which was not overcome by increased bullion output elsewhere.

STATE BANKING BOARD AND BANK EXAMINER

The report of the State Bank Examiner shows that we have twenty-one state banks, exclusive of national banks, with aggregate resources in excess of \$11,000,000; with total reserves of cash on hand and in banks of \$3,258,915.85, or in excess of 36 per cent, and with less than \$60,000 overdrafts. This is a remarkably healthy showing and discloses that our banking system is on a solid foundation.

STATE PRINTING OFFICE

The State Printing Office the past two years has handled with a high degree of efficiency an unprecedented amount of work, due chiefly to the publication of the Revised Laws of Nevada. I believe that this

office can properly and economically print the literature which the State should have for distribution at the Panama-Pacific Exposition, and recommend that an adequate appropriation be made therefor, and to cover such additional machinery as may be required, available in 1914.

STATE FISH COMMISSION

The work of the State Fish Commission during 1911 and 1912 has been of special importance. A model fish hatchery has been established at Verdi, with a capacity of 2,000,000 trout fry to supply the streams of the State. The members of the Fish Commission give their services without compensation and are entitled to public credit for the deep interest they have taken in this important work and the results achieved.

STATE UNIVERSITY

The University of Nevada, under the generous support of the State, the Federal Government and the donations of the Mackays, has become an institution that is serving the people in many ways. Its ardent friends are all who are familiar with its development and what it is actually accomplishing, not only in the education of our youths of both sexes, but in practical state improvement and upbuilding. The completion of the Electrical Building, provided for by the last Legislature, adds to its mechanical curriculum a complete course in electrical engineering. The department which now seems most deserving of upbuilding is the Agricultural College. It is a hopeful and significant fact that the course in agriculture is drawing an unprecedented number of students. The University conducts the operations of the pure-food law and the weights and measures law in Nevada. The bacteriological laboratory, by blood and tissue testing, is one of the chief factors in the diagnosis and control of diseases of man and animals in Nevada. The work of the Experiment Station in relation to soil tests, cultural

experiments and animal husbandry is one of the highest importance to the present and future development of the State. I would recommend, so far as our financial condition permits, that the welfare and improvement of the University be given due consideration by your honorable bodies.

RURAL CREDIT ASSOCIATIONS

One of the most important subjects which I hope later in the session to submit to your honorable bodies relates to the proposed transplantation to this country of an adaptation of the *Landschaften* associations which have become a pronounced factor in the agricultural prosperity of Europe. At the Governors' Conference held at Richmond, this was the most important matter up for discussion. Ambassador Herrick, who has brought to the attention of our agriculturalists the system by which German, French and other European farmers, by such associations, are able to obtain capital for land development at low rates of interest and on long-time loans, payable in annuities, gave a complete analysis of the plan, which appealed to the Conference as of the greatest moment. A committee was appointed to draft a law for uniform adoption by the States, which I hope may be completed in time for submission to the consideration of your honorable bodies before the close of the session.

CONCLUSION

In the foregoing I have not discussed any elective departments of the state government, but commend to your consideration the reports of such officials and such recommendations as are contained therein.

At different times during the session I hope to communicate with the Senate and Assembly by message, and if, during your deliberations in committee or as individual members, I can be of any assistance, I beg you to believe that I shall be only too pleased to meet and consult with you. I conceive that we all of us, severally

and collectively, owe our first duty to this State, the people of which have honored us with their trust to act disinterestedly, wisely and conscientiously for its welfare.

Wishing for the highest harmony and success in your endeavors, I submit this message accompanied with my sincere good-will.

TASKER L. ODDIE,
Governor.

THE FOURTH DAY

CARSON CITY (Thursday), January 22, 1913.

House called to order at 11 a. m.

Mr. Speaker in the chair.

Roll called.

All present, except Mr. Fernald who was excused.

Prayer by the Chaplain, Rev. L. B. Thomas.

The Journal of third day read and approved with corrections.

The Sergeant-at-Arms announced message from the Senate.

Message received.

Mr. Friedhoff moved, duly seconded, that the reading of the Journal on the report of Mileage Committee be dispensed with.

Sergeant-at-Arms announced message from Secretary of State.

Message received.

Mr. Gardiner moved, duly seconded, to insert at the beginning of Assembly Bill No. 3, "An Act to repeal an Act entitled."

Carried.

Sergeant-at-Arms announced a message from the Governor.

Message received.

REPORTS OF COMMITTEES

Mr. Speaker:

Your committee reports that it has looked up the situation, and offers the following resolution:

Resolved, That the Journal of each day's session of the Assembly be copied by typewriter for the reading thereof by the Chief Clerk the following day, and that when so copied one carbon thereof shall be made, which shall be corrected by the Chief Clerk according to such corrections as may be made by the Assembly to the Journal as read and which copy shall be used as the "copy" of the Journal of the Assembly for the use of the State Printer when the same is printed, without additional copying thereof; and be it further

Resolved, That the Speaker be and he is hereby authorized and empowered to designate any attaché or attachés of the Assembly to aid and assist in typewriting the Assembly Journal.

Resolution adopted.

G. A. COLE, *Chairman*.

MESSAGES FROM THE GOVERNOR

To the Honorable the Assembly:

I am sending your honorable body an errata which I would be pleased to have inserted in my message, as it covers matter pertaining to the Railroad and Public Service Commission, the copy of which failed to reach the State Printer through an error of this office.

The errata also calls attention to two errors which I would be pleased to have corrected.

ERRATA

Page 1, line 11, should be "\$1,510,000," instead of "\$1,500,000."

Page 23, at the end of line 11, insert "power of the."

Page 23, before heading "State Engineer's Office," insert the following:

RAILROAD AND PUBLIC SERVICE COMMISSION

The last Legislature created a Public Service Commission, making the Railroad Commission, ex officio, the members of such Commission, and created the

office of Engineer. The effect of this law was to extend the jurisdiction of the Railroad Commission to cover electric-light, power, gas, sewer and water companies. The report of each of these departments shows the work performed during 1911 and 1912.

The Reno rate case has not been finally settled, although a reduction of about 20 per cent in the rates from eastern points on several hundred articles has been effected. If what are known as the "Fourth-Section" orders are sustained by the Supreme Court of the United States, where the issue is pending, this will result in a saving to the people of Nevada of several hundred thousand dollars, annually, in class and commodity rates on shipments from eastern territory.

The Commission has effected reductions on freight and passenger rates on a number of intrastate railroads during the last two years which are more particularly covered in its report.

The work of the Public Service Commission relates to investigations into the conduct of public-service companies with respect to excessive and discriminatory charges, unjust regulations and practices and the correction of the same.

(NOTE—The foregoing are chargeable to haste in the preparation and assembling of copy in the Executive office.)

TASKER L. ODDIE, *Governor.*

On motion of Mr. Gardiner, duly seconded, the Governor's message was received.

MESSAGES FROM THE SECRETARY OF STATE

To the Honorable the Assembly:

I have the honor to present to your honorable body for consideration Vetoed Bills Nos. 28, 36, 60, 74, 89, 109, 113, 115, 132, 144, 149, 222, 274 of the Assembly for the Session of 1911, together with the veto messages on same.

Also, to present to your honorable body, Assembly Joint and Concurrent Resolution No. 11 relative to amending section 2 of article 15 of the Constitution of the State of Nevada, proposed and passed by the Twenty-fifth Session of the Legislature of 1911, and Substitute for Assembly Joint and Concurrent Resolution No. 6, introduced by Committee on Elections, relative to amending section 1 of article 2 of the Constitution of the State of Nevada, proposed and passed by the Twenty-fifth Session of the Legislature of 1911.

GEORGE BRODIGAN, *Secretary of State.*

Messages received.

Mr. Mighels moved, duly seconded, that the resolutions be made special order for Monday, January 27, 1913 at 11:30 a. m.

Mr. Wright moved to amend to make the resolutions a special order for 2 p. m., January 23, 1913.

Amendment carried.

Motion carried as amended.

MESSAGES FROM THE SENATE

To the Honorable the Assembly:

I have the honor herewith to present for the consideration of your honorable body Senate Bill No. 2—An Act to create a Legislative Fund—which passed the Senate this day by the following vote: Yeas, 21; nays, none; absent, 1.

SOL HILP,
Assistant Secretary of the Senate.

MOTIONS AND RESOLUTIONS

By Mr. Gardiner:

Resolved, That it be the sense of the Assembly that the Speaker apportion the Committee Clerks among the different Standing Committees, to be subject to the call of the chairmen of the said committees; and be it further

Resolved, That the Speaker instruct the Committee Clerks that they are to be subject to the call of the chairmen of the committees other than those to whom