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Governor Alva Adams

— TO THE —

Seventh General Assembly

— OF THE —

STATE OF COLORADO.



DENVER:
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1888.

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BIENNIAL MESSAGE

—OF—

GOVERNOR ALVA ADAMS.

Gentlemen of the Senate and House of Representatives:

Since the convening of the last General Assembly, Colorado has experienced two years of unexampled prosperity. The assessed value of property has increased from \$124,269,710.06 to \$168,812,246.93, while the actual value of the holdings of individuals and corporations must approximate to \$600,000,000. This is, perhaps, the largest showing of wealth per capita that can be made by any civilized commonwealth. The record of our recent election indicates that the increase in population has been in equal ratio with our gain in material wealth. In every element of progress our State has grown.

To preserve and continue this prosperity—to promote the happiness of the people—is the purpose for which you are assembled. I trust this purpose will crystalize into wise, honest and beneficial legislation, so that the work of the session will merit the approval and blessing of Almighty God and the thanks and gratitude of the people whom you represent.

STATE FINANCES.

The report of the Auditor shows the condition of the Treasury for the two years ending November 30, 1888:

Total receipts from all sources.....	\$2,280,179 85
Cash in Treasury November 30, 1886.....	481,885 64
State warrants in Treasury November 30, 1886.....	352,617 08
	<hr/>
Total.....	\$3,114,682 57
Total disbursements.....	\$1,721,830 31
State warrants in Treasury November 30, 1888.....	575,047 92
Cash in Treasury November 30, 1888.....	817,804 34
	<hr/>
Total.....	\$3,114,682 57

The estimated assessed valuation for the two years ending November 30, 1890, are as follows:

Assessment for 1889.....	\$190,000,000
Assessment for 1890.....	210,000,000
	<hr/>
Total.....	\$400,000,000
Tax of 2 13-30 mills on this amount.....	\$ 973,333
Less 7 per cent. not collectable.....	68,133
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Total.....	\$ 905,200
Receipts from all other sources.....	125,000
	<hr/>
Total estimated receipts.....	\$ 1,030,200

To be paid out of this income there is an estimated expenditure of \$970,000. As most of the items making this aggregate are fixed by statute or are verified by reports from State departments and institutions, it is evident that the margin for new or increased appropriations is very limited unless new sources of income are found and developed.

In the above estimate provision is made for the payment of certificates of indebtedness now outstanding and for the interest upon the present floating debt of the

State, but no provision is made for payment of the debt itself, which is as follows:

Interest-bearing warrants.....	\$839,824	17
Certificates of indebtedness.....	86,879	10
Loco weed certificates.....	31,363	00
	<hr/>	
Total.....	\$958,066	27
Less cash available.....	5,511	86
	<hr/>	
Total.....	\$952,554	41

The assets of the general fund available for payment of this debt are:

Tax of 1888.....	\$410,776	38
Delinquent tax.....	163,543	23
	<hr/>	
Total.....	\$574,319	61
Less 7 per cent. of tax 1888, uncollectable.....	28,754	34
	<hr/>	
Total.....	\$545,565	27
Less delinquent tax, worthless and uncollectable.....	\$110,404	89
	<hr/>	
Total.....	\$435,160	38
Debt in excess of revenue.....	\$517,394	03

In arriving at this result, I have taken the figures of the Auditor and have accepted his estimate of the value of delinquent taxes. A large amount of delinquent taxes have heretofore been carried as live assets, but the tax receipts prove them to be of almost no value, and in this statement they are so considered.

It makes our debt seem that much larger, but there is no more sense in a State deceiving itself by carrying worthless paper as available assets than there would be in an individual doing the same thing in his business.

The statement of Auditor Spruance, as incorporated in Governor Eaton's last message, made the State debt, in excess of revenue, on November 30, 1886, \$110,379.30.

This was based on the proposition that 4 mills could be levied for the benefit of the General Revenue Fund alone.

But the decision of the Supreme Court upon Section 3 of Art. II. of the Constitution reduced the rate of tax levy for the General Fund from 4 to 2 13-30 mills and held the original levy of 4 mills to have been illegal.

By virtue of this decision the Attorney General instructed the Auditor to give credits to the various counties of the State on the taxes of 1886, amounting to \$194,689.21.

The effect of this was to add a like amount to the net debt of the State and to make a large part of the taxes delinquent November 30, 1886, and other years of no value.

The opinion was rendered as to the levy of 1886, but for the years of 1883, 1884 and 1885 a 4-mill tax for general revenue alone had been extended, and in the light of this opinion had all been excessive.

It will be proper then to restate the assets of the General Fund November 30, 1886, as the Auditor would have done had he received this opinion prior to this preparation to his report.

The statement would be:

Delinquent tax of 1880 and prior	\$ 41,776 65
Delinquent tax of 1881	17,666 47
Delinquent tax of 1882	22,187 85
Delinquent tax of 1883	21,679 40
Delinquent tax of 1884	24,624 09
Delinquent tax of 1885	42,809 67
Taxes for 1886	302,389 63
Total tax due and delinquent	\$473,133 76
Deduct taxes more than six years delinquent ..	\$ 41,776 65
Deduct 90 per cent of other delinquent taxes as valueless	116,070 74
Deduct 3 per cent of tax of 1886 as uncollectable ..	9,071 68
Total deductions	\$166,919 07
Total available revenue	\$306,214 69

State debt November 30, 1886.....	\$644,637 68
Debt in excess of revenue November 30, 1886.....	338,422 99
The net debt of the State November 30, 1888 was.....	517,394 03
Showing for two years a net increase of.....	178,971 44

This has arisen from the issue of certificates of indebtedness during the two years amounting to \$85,891.50 and to the more noteworthy fact that the total receipts to the General Revenue Fund in 1887 and 1888 were \$721,051.11, as against \$900,661.11 during 1885 and 1886. The receipts falling off, redemptions of warrants did the same, and the gross amount of warrants outstanding increased accordingly.

Thus, while our assessed values have increased largely, the change in rate of taxation resulted in a reduction of the general revenue for 1887 and 1888 below that collected for 1885 and 1886, while there has been no reduction in appropriations and expenditures.

Had the levy of 4 mills remained, as contemplated by the last Auditor in his report, the State debt could by this time have been entirely liquidated. While the amount is very little for a great and prosperous State to owe, I can see no way for its prompt payment except through legislative enactment, as the constitutional provision relating to taxes, as interpreted by the Supreme Court, places a limitation upon our income, so that it is not more than adequate to meet the demands of a growing State. If it be your desire to take up the outstanding warrants and fund this debt at a lower rate of interest, I would recommend the re-enactment and re-submission to the vote of the people, the amendment to the Constitution permitting the State to issue bonds to the extent of \$600,000. Had the proposition been understood, it would not have been defeated at the last election.

The sum of \$575,047.92 of outstanding State Warrants are now held by the Public School, Internal

Improvement and other State investment funds, so that over two-thirds of the interest paid returns again to the people through the school and other channels.

The Treasury is filled with a constantly increasing surplus, and I can see no reason why the various funds of the State should not hold every dollar of the interest-bearing indebtedness of the State.

There are now \$428,000 of permanent investment funds lying idle in the hands of the State Treasurer. These funds should be drawing an income, and if there are no State Warrants to buy, other investments should be sought. There are banks willing to pay a fair rate of interest to the State and give full security for safe keeping of the money.

To pay interest upon a large amount and at the same time hold in vaults unused and unproductive a still larger sum of cash is a system of financiering that would bankrupt an individual and brings no profit or credit to a State.

STATE FUNDS.

The permanent investment funds and income from same now in the Treasury are:

Agricultural College land.....	\$	12,261	13
Agricultural College land income.....		255	69
Internal Improvement.....		261,599	89
Internal improvement income.....		132,900	32
Penitentiary land.....		18,279	63
Penitentiary land income.....		5,398	42
Public Building.....		44,792	06
Public Building income.....		12,885	28
Public School.....		488,684	85
Public School income.....		86,835	81
Public School lease.....		23,749	23
Saline land.....		376	90
Saline land income.....		2,205	00
University land.....		55,398	96
University land income.....		126	43
University land lease.....		765	25
Total.....	\$	1,146,514	85

From the above amounts the following investments have been made:

Public School.....	\$322,888	39
State University.....	32,875	75
Internal improvement.....	185,062	77
Penitentiary.....	2,092	63
Public Building.....	8,379	15
Public School lease.....	23,749	23
Total.....	\$575,047	92

Leaving uninvested and idle a vast balance of \$572,466.93. Unfortunately, this plethoric condition of our treasury is due to special funds dedicated to particular uses, that cannot be diverted to the payment of general debts or demands upon the general fund. If these funds could be transferred as needed, then would our debt problem be solved and our financial difficulties vanish in the delights of a complete liquidation.

The Public Building Fund was evidently designed to aid in the building of a capitol, and it should be transferred to the Capitol Building Fund.

There is now in the Internal Improvement Fund nearly \$400,000 in cash, and I believe it will do Colorado more good by being turned into the General Fund, where it can be used in payment of our debts, than it will ever do by being expended as directed by the law which created the fund. I would, therefore, suggest that you memorialize Congress, asking for a law that will permit such a transfer of this fund. If Congress will not permit such a transfer, then it might be well to utilize this fund in the construction of a system of storage reservoirs. This disposition of the fund would accord with the intent of the law, and there is no question as to the importance of irrigating reservoirs to the future development of the State.

In seeking new avenues of income, I hope you can devise some system that will induce the payment of

taxes upon personal property. Of this class there is a vast amount in our State that evades taxation, and generally it is the most productive and desirable property, and in the possession of those who are best able to bear their share of the burdens of government.

In a family, when one member is financially embarrassed, the other members contribute from their plenty, so that all may have enough, and this might be a fair rule to adopt in a governmental family made up of a circle of State institutions. The one-fifth mill allowed to some of our institutions will, under the present and estimated assessed valuations, yield a magnificent income, amounting to over \$70,000, and perhaps \$80,000, for the next two years.

Should the exigencies of our finances require it, it would be no serious hardship for some of these institutions to suspend for a time a portion of their income, rather than that our eleemosynary and penal institutions should be denied the means necessary for the humane care and maintenance of their inmates.

PENITENTIARY.

This institution shows a large increase in population. Under the able business management of Warden Hoyt, the cost for food and maintenance has been less per capita than ever before in its history.

The number of prisoners November 30, 1886, was 298. On November 30, 1888, there were 412 inmates. If the increase for the next two years should maintain the same ratio, it would indicate an average of nearly 500. Should the increase only be the same in number as during the past two years, then the average will be 469, and this will certainly be as low an estimate as it will be safe to figure, when making the appropriation for maintenance.

The Commissioners ask for special appropriations, aggregating \$52,500. Of this amount, \$10,000 is required for new cell house and shops; \$7,500 for electric light plant; \$5,000 for purchase of land for garden; \$5,000 for purchase of coal land; \$10,000 for construction of irrigating ditch, and \$15,000 for the lime stone and brick business of the prison.

The cell house and shop room are necessities. The purchase of coal and garden land should not be longer delayed, and appropriations should be made for these purposes. The electric light plant would be a great convenience, if not a necessity. The State ditch matter I have not investigated, and therefore can make no suggestions.

It would be well to instruct the Committee which you will appoint to visit State Institutions, to examine and report upon the ditch scheme, the electric light plant, and the necessities of the stone and brick business.

In the management of the prison, Mr. Hoyt has proven himself to be almost an ideal warden. Business affairs have been conducted with economy and ability. In the control of the prisoners he has been kind yet firm, gaining their respect and confidence, and at the same time maintaining the most perfect discipline.

INSANE ASYLUM.

Both the business and professional management of this institution reflect great credit upon the superintendent, Dr. Thombs. The number of patients discharged cured is without parallel in the history of insane asylums. Much of this result is, no doubt, due to our climate; but the skill, experience and ability of Dr. Thombs is no unimportant factor in these cures.

The commissioners ask an appropriation of \$93,436.27 for new buildings and furniture, \$3,000 for insurance and \$1,500 for building an irrigating ditch.

The last two items should be granted at once, so that the property may be insured, and the ditch built in time for spring use.

The \$14,599.01 desired for the completion of the west wing of the male building should also be appropriated, as the present capacity is crowded and patients are being held in jails and other improper places, waiting for accommodations. The care of the insane and the criminal are the greatest and most expensive problems with which modern legislation has to contend.

Since the organization of our State, the keeping of these unfortunate and vicious elements of society has taken 30 per cent of our entire revenue—over two million dollars having been spent upon the Penitentiary, Insane Asylum, Deaf Mute Institute and Industrial School out of the \$6,623,061.76 collected for all purposes since our State life began.

While these institutions for the care of the unfortunate and criminal are an ever increasing burden upon the tax payer, every consideration of government and humanity compel wise and liberal expenditures in these channels.

INSTITUTE FOR MUTE AND BLIND.

This institution is serving its purpose as well as it is possible with the means at its command. The business management has been good, the officers and teachers competent and sympathetic. For want of means to make repairs, their buildings and furnishings are in a disgraceful condition. They need more facilities for the mechanical education of the inmates. This is also true of the Industrial School.

In no way can the State bestow a greater benefit upon unfortunate children or have a better bond for their future good conduct and citizenship than in the education of the hand and eye, as well as the mind. Give to a

young man a good trade and he can defy the future, and look the world in the face with serenity and confidence.

SCHOOL OF MINES AND AGRICULTURAL COLLEGE.

The School of Mines and Agricultural College have improved very much in the past two years, and are fast being recognized throughout the country as leading institutions and high authorities in their special lines of investigation.

The Agricultural College asks an appropriation for new buildings. While these improvements are desirable, the emergency is not pressing, and I would recommend that the appropriation be delayed until our finances are in a better condition.

STATE UNIVERSITY.

While the University is not yet an ideal institution—not yet a great college that reflects the intellectual culture and intelligence of a great State—I am glad to note that it is growing and expanding. Its last year has been its best. It is breaking loose from the entanglements which have embarrassed its usefulness in the past; and now gives promise of a future that will make it an important factor in the mental development of the Great West.

PUBLIC SCHOOLS.

The Superintendent of Public Instruction makes a comprehensive and valuable report. From it we learn that the public schools are in a satisfactory condition.

The income derived from interest on school funds and lease of school lands now amounts to a large sum. This income is distributed semi-annually to the different school districts of the State. The ratio of distribution is based upon the school population; \$143,141.70

were distributed during the past year, and there are now in the treasury \$86,835.81 school fund income, and \$23,749.23 school lease money, of which \$88,000 are to be distributed this month.

In the support of public schools our people are enterprising and liberal, and no reproach will come to our State by a comparison of our educational facilities with those of any other State in the Union.

STATE LIBRARY.

The State Library is under the control of the Superintendent of Public Instruction. Some provision should be made for its improvement. It is a library in name only, and not worthy the intellectual standard of our people.

EX-OFFICIO MEMBERS OF BOARDS.

In this connection, I wish to suggest that the Superintendent of Public Instruction be made an ex-officio member of the Agricultural College and School of Mines Boards, just as he is under present law a member of the University Board.

The Attorney General should also be made an ex-officio member of the Penitentiary, Insane Asylum, Deaf Mute and Industrial School Boards. Their experience and special abilities would be valuable to the various boards, and then it is well to have some one elected by the people interested in the management of these institutions.

THE LAND BOARD.

To ascertain the condition of State and school lands, I refer you to the report of Register Sagendorf of the Land Board. The extent of business by the Land Board is best expressed by giving the amount of money

received during the past two years. These receipts aggregated \$677,019.10, and came from sales, leases, interest, etc.

The school lands of the State amount to three and one half millions of acres. Of this amount 1,280,559 acres are leased, bringing an annual rental of \$69,821.01. During the past two years 22,984 acres of school land have sold for \$373,882.

The State University has 12,350 acres of land; 3,241 acres are leased for an annual rental of \$207; 1,720 acres have been sold, bringing \$5,340.

For internal improvements there remain 277,401 acres. Of this 174,970 acres are leased for \$10,541 per year; 17,827 acres have been sold, bringing \$71,579.78.

The Public Building Fund has 7,279 acres; 4,160 acres are leased for \$304 per year, and 4,399 acres have been sold, yielding \$17,354.85.

The Penitentiary has 13,574 acres; 5,290 acres are leased for an annual rental of \$323.50; 9,860 acres have been sold for \$27,792.

The Agricultural College has 67,557 acres; 16,020 acres are leased for \$839.06 per year; 10,946 acres have been sold, yielding \$30,025. There are also 18,686 acres of Saline land, of which 6,560 acres are leased for \$354.40 per year.

It has been the general policy of the Land Board to sell school lands only to actual settlers, and in bodies not exceeding half a section, or to encourage the construction of irrigating canals, and thereby adding value to lands retained. Our school lands are a royal heritage for our people, and if carefully managed will send an ever increasing flood of wealth through the channels of public education.

I fully concur in the recommendation of the Register asking for two men to appraise and select State lands, and in line with his suggestion that some check

should be had upon the money received by the Land Board, I would suggest that the law be changed authorizing the Governor to sign no deed or lease unless accompanied with the Treasurer's receipt for the money.

IMMIGRATION BUREAU.

The last Legislature gave to the Register of the Land Board the privilege of acting as Immigration Commissioner, but as no means or clerical assistance were given him, and his duties as Register demanding all his time, nothing has been done in the desired direction.

This question of immigration is too important to go by default, and either means and facilities should be placed in the hands of the Register for effective work, or an Immigration Bureau should be organized, and a systematic effort made to induce capital and people to come and aid in the building up of our State.

To remain silent concerning our natural advantages in these days of push and enterprise is almost to admit that we possess no attractions for the immigrant.

In justice to our resources, and in fairness to the stranger seeking a new home, we should make known the beauties and prospects of this land in which we live. Spread the knowledge of our undeveloped wealth. Let the sick in all lands hear of the health-giving properties of our climate. Disseminate the hygienic virtues of our geographical position as scientifically advanced by Dr. Dennison, in his recent able essay on Phthisis, and others, and there will come to us a great tide of immigration and travel, bearing renewed prosperity and increased power.

SANITARY RECORD.

The health record of our State institutions is so remarkable that it is worthy of attention. The Deaf Mute Institute reports for the past two years, no deaths

and no serious illness. Since the origin of the Institute there have been but two deaths.

Last month a boy died at the Industrial School from a fever contracted while working on a farm, where a situation had been secured for him. This is the only death in the fifteen years of this school's existence.

The health statistics at the Penitentiary since its creation have been almost equally marvelous. This is a wonderful tribute, not alone to our climate, but to the hygienic and sanitary care of the different managements of our State institutions.

RAILROAD LEGISLATION.

The infinite wisdom of the last General Assembly saw fit, without reason or excuse, to deny any new legislation upon railroads and also to render useless existing laws, by refusing to appropriate means for the support of the Railroad Commissioner. Although no compensation was allowed I appointed the Hon. A. D. Wilson to the position of Railroad Commissioner, but after a short experience Mr. Wilson found that the action of the Legislature had cast a reproach upon the office, and had taken from it the moral influence of the position, and he therefore resigned. No other appointment was made and the office was practically abandoned.

From Judge Felker, who acted as Commissioner for the years 1885 and 1886, I learn that of the 150 complaints lodged with him, by patrons of railroads, all but three were adjusted by the railroads acceding to the demands made by the Commissioner in the interest of the complainant.

This record certainly shows the advantages of a Commissioner, and I would suggest that an appropriation be made to maintain a Railroad Commissioner, and that the law be amended so as to give him the power to ad-

just all disputes and errors arising between railroads and their patrons.

No law should injure or cripple these enterprises which have been and are doing so much to develop our State; but no one can object to a Commissioner, before whom complaints can be heard and difficulties settled without recourse to the slow and expensive ways of the courts.

THE UTE INDIAN DIFFICULTIES.

In August, 1887, in response to the appeals of the citizens of Garfield County, whose lives and property were threatened by Indians and of the call of the officials of Garfield County, whose efforts to arrest Indian criminals were resisted with threats and violence, the State Militia, to the number of 259 men and officers were ordered into Garfield County.

The full details of this expedition will be found in the report of the Adjutant General, herewith submitted. While the cost of this difficulty has been large; every disinterested citizen who was acquainted with the circumstances and the condition of the settlers in the country exposed to the depredations of the savages, admits that in lives saved and in the permanent peace and protection that were given to a disturbed portion of the State, the gain has far surpassed the expense.

The claims audited by the Military Board aggregate \$80,314.72, for which certificates of indebtedness have been issued. The Board exercised the greatest vigilance in passing upon claims, denying some entirely, cutting down others, and requiring affidavits and witnessses where possible.

While every caution was observed, I have no doubt but that many claims were passed at inflated values. While many creditors presented only just and fair accounts, the auditing sessions of the board were gener-

ally a continued conflict against the rapacity and inflated bills of claimants.

As this expense was made necessary by the neglect and failure of the General Government to keep the Indians upon their reservation, and through their delay in responding to our demand that the Indians be driven from Colorado, where they were a constant menace and danger, the General Government should repay the outlay, and a demand should be made accordingly.

REGULATING SALE OF INTOXICANTS.

Concerning the evils of intemperance there is but one opinion; but when we consider methods by which temperance is to be promoted, we enter a wide field of intellectual conflict and discussion.

In the present state of public opinion there is, in my mind, but one avenue of reform that promises practical results, and that is through a system of high license under strict police control, and I believe that it is the duty of the State to pass a law fixing the minimum price for liquor license, below which rate no license can be issued.

That minimum should be high enough to reduce the number of saloons and prevent the opening of dives and low grogeries in every railroad, lumber, tie or mining camp, where a few hard-working men congregate to labor for themselves and their families.

So appalling is this evil, so direct is the connection between liquor drinking and the enormous cost of our courts, our criminal and eleemosynary institutions, that, aside from moral considerations, it becomes an economic question, affecting so distinctly the problems of taxation and good government, that the State cannot afford to ignore it. It must be considered from the vantage ground of experience and common sense. Fanaticism and prejudice will not drive drink from the land.

Neither prohibition nor free rum will bring success; neither coercion nor prayers can in this State win the battle of temperance. Limit the field of temptation and you will reduce the number of the fallen. To do this, I know of no way as effective as the power of taxation.

THE BALLOT.

The corruption of the ballot—the perversion of free suffrage—is one of the evils that menace a republican government. To lessen this danger, to break the power of the political machine, drive the political boss and ward-worker from the polls and make the result of an election the true expression of the people's will, is one of the highest duties of legislation.

To attain these good results, personal registration should be required in cities, and the Australian or some other effective system adopted that will protect the voter from the corrupt allurements of money and the threats and coercion of power. The man who buys a vote should be punished, and he who sells should be disfranchised.

A SOLDIERS' HOME.

The Colorado Department of the Grand Army of the Republic is making an effort to secure a home for survivors of our great war, who, through age, illness or misfortune are disabled and no longer competent to fight the battle of life with the vigor and success with which they fought for us twenty-five years ago. Their claim has its origin in justice. Gratitude and patriotism should impel you to give their desire every consideration that your financial condition will permit.

THE SUPREME COURT.

From the Chief Justice of the Supreme Court, I learn that their docket is now far behind, and that new

cases are presented faster than the capacity of the court can dispose of old cases. For the purpose of relieving the court of accumulated business the last Legislature created a Court Commission, and while the members of this commission are industrious and able jurists, the law that called the commission into life instructs that the work of the commission shall be reviewed by the original court before judgment can be rendered. This almost defeats the object of the commission, as it takes a conscientious judge nearly as long to review and verify as to make the original investigations. To secure more speedy justice to litigants, I would suggest that you either continue the commission and give to it concurrent power—if the Constitution permits—with the court, or else amend the Constitution so as to increase permanently the number of judges upon the Supreme Bench to five. This last remedy to relieve a burdened docket is the one desired by the Supreme Court in their report.

The abolition of the Superior Court of Denver is also recommended, and in lieu therefor provision to be made for an additional District Court Judge for the Second District.

GOVERNOR PITKIN.

The citizens of the State have been contributing towards a proper memorial monument to be placed over the grave of Governor F. W. Pitkin. That the State may have its part in this worthy tribute to a good man, I would suggest that a sufficient amount be appropriated for the completion of the work now commenced. Men of Governor Pitkin's worth and character are not so plenty that a State can afford to ignore their memory.

STATE ENGINEER.

No department has had more difficulties to confront than the office of State Engineer. Every problem and conflict relating to our system of irrigation and water rights have come to this office for adjustment. To their solution, Mr. Greene has given trained and conscientious efforts. The appropriations for this department are entirely inadequate to the great importance of the interests that are entrusted to the office. I commend his report to you as a credit to the author, and a work that will be of advantage to the agricultural interests depending upon irrigation. In his report the State Engineer writes as follows of the laws relating to irrigation:

“While the people of Colorado are to be congratulated on the very fine foundation for an excellent code of irrigation laws afforded by the accepted doctrine of the courts, that the first appropriator to beneficial use of the waters of a natural stream has a prior right thereto to the extent of his appropriation, it is to be regretted that the laws on this subject are so ill-arranged and incomplete, and that they fail to effect with any degree of satisfaction the chief end for which they were enacted, namely, to secure the most beneficial use of the waters of the State in the irrigation of lands consistent with the protection of prior rights.”

To insure this, Mr. Greene suggests that a commission be appointed to prepare and submit to the General Assembly a code of laws relating to irrigation.

INSPECTOR OF COAL MINES.

The Inspector of Coal Mines reports a production of two million tons of coal for the year 1888; and so numerous are the new mines being opened, that for 1889 he predicts a three-fold increase in production. During

the year there have been no strikes or conflicts between miners and employers. When differences have arisen, they have been so satisfactorily settled by voluntary arbitration that a large number of coal miners now favor an arbitration law.

VETERINARY SANITARY BOARD.

The Veterinary Sanitary Board reports the cattle of Colorado to be in a perfectly healthy condition. No contagious or infectious disease exists, or has existed in the State for two years. The Board has inspected 212,495 head of cattle coming into the State from the South, and has done a large amount of work for which the State has paid but little. Glanders have been dangerously prevalent, fifty-one horses having been ordered killed by the Veterinary Surgeon on this account. To pay for this property, certificates of indebtedness have been issued. I submit the report of this Board, and call your earnest attention to the recommendations they make.

STATE TREASURER.

One of your first enactments should be a law giving effect to the section of the Constitution which makes it a felony to divert the income from State funds to individual use and profit. The bond required from the State Treasurer should be increased, so as to bear some relation to the cash intrusted to his keeping.

In his report, the State Treasurer asks that all banks, private as well as State, be compelled to report their condition to the State Treasurer. This requirement should be made at once, as the State cannot be too careful in knowing the financial condition of banks that invite the deposit of the people's money. Another clerk should be given to the Treasurer's office, as the

business of that department is more than the present force should be required to perform.

CAPITOL BUILDING.

One of the most important questions that will claim your attention is the completion of the State Capitol building. The Board of Capitol Managers have been much embarrassed by the failure of Contractor Richardson. When the Board refused to allow his illegal and extravagant claims for extras, he defaulted in his contract and ceased work. In order to place the uncompleted basement in a condition of safety, bids were invited and a contract let to Geddis & Seerie, for \$59,750. This contract completed the foundation walls. After much deliberation, and under the advice of Attorney General Marsh and Platt Rogers, attorneys for the Board, bids were invited for the completion of the building according to the contract with Mr. Richardson.

No bid for the entire work being satisfactory, the Board awarded Geddes & Seerie the stone and brick work for a sum of \$700,000. Upon this contract have been paid \$62,833.78, making a total paid to date to all parties upon the Capitol building of \$262,697.84.

Against the letting of this last contract I protested, believing it to be beyond the province of the Capitol Managers to let a contract that called for an expenditure of over one million dollars for a completed building. It was plainly evident to the Board that the completion of the structure in accord with this contract for stone and brick work would cost several hundred thousand dollars beyond the maximum amount specified by the law. Having failed in their efforts to build the Capitol for the sum specified by the law that created the Board, I held that the Board should submit the whole matter back to the Legislature for their consideration and further legislation.

In this view, however, they did not accord, and, with the advice of legal counsel, the contract was relet. As the business now stands it will require \$400,000, in addition to the \$1,000,000 already appropriated, to finish the building as designed in the original contract. If granite is used instead of sandstone, it will require much more, perhaps \$300,000 additional. The State has no better citizens than the men comprising the Capitol Board. They are able and conscientious business men, and no one regrets as much as they their inability to meet the expectations of the Capitol Building law.

The report of the Capitol managers is submitted to you. In it you will find full details and particulars. In submitting this matter to you, I wish to assure you that I believe it to be the sentiment of the people, whether living near or remote from the Capital City, that this building be pushed to an early completion, and that when finished, it shall be a monument that will be worthy of our State.

INDUSTRIAL SCHOOL.

This institution now cares for 164 inmates—139 boys and 25 girls. It is doing a good work and affords, perhaps, as good a home for these unfortunate moral orphans as it is possible for a State to provide.

The Board asks for \$25,000 for new buildings, and \$2,500 to procure water for the grounds. The water improvement is urgently needed. As they can continue in their present accommodations in reasonable comfort and good health, I would defer the appropriation for a new building until at least the requirements of other institutions, whose necessities are more urgent, are provided for.

FISH, DAIRY AND FOREST COMMISSIONERS.

The Fish Commissioner, Dairy Commissioner and Forest Commissioner have each done good and efficient work, considering the limited means at their command. The department of Fish Commissioner gives a greater return to the wealth of the State than any other, compared with the money expended.

The reports from these officers are able and exhaustive, and worthy of your consideration.

STATE MILITIA.

The Adjutant General reports the State Militia, comprising the National Guard, to be in excellent condition. Their equipments are better, and in drill and discipline they are more efficient than ever before. From 1,354 officers and men, the force has been reduced to 984.

I would recommend that no increase be made in number of men, but that the energy of the military department be given toward securing strong companies and better organization.

LABOR LEGISLATION.

We desire a perfect commonwealth. Labor must be its basis. If the condition of the workman is better than in other States, our State will be better. The State is but a reflex of the condition of the masses. The man who has good wages and is prosperous has more time for cultivation and intellectual development, and those who are the most intelligent and cultivated make the best citizens.

This being true, it is wise statesmanship to legislate within legitimate limits for the prosperity of our workmen and the consequent higher standard of citizenship.

FEE SYSTEM.

Paying county officials with fees is a system that should be abolished. It has nothing to commend it, and, in the interest of the people, should be wiped out.

USURY.

Under ordinary circumstances I would not approve of a usury law, but so outrageous has been the rapacity of a large number of money sharks, who have invaded the newly settled portions of our State, that the principle of "protection of citizens" demands that the State do something to protect its people from the greed of these financial vampires.

The pioneer farmers in our State have enough to contend with without paying three per cent per month, and ten per cent additional as commission, for the money they are compelled to borrow to prove up on their claims or to buy food for their families while waiting for a crop.

DEEP WATER HARBOR.

The supreme advantage to every Colorado industry of a deep water harbor upon the Gulf coast of Texas will justify you in appropriating at least \$2,500 for the use of the Committee engaged in promoting this enterprise.

DELAYED REPORTS.

Reports from some of the departments have not yet come to hand; others came so late that little time was given in which to prepare this message. A satisfactory digest of these many reports has been, under the circumstances, impossible, and for detailed information I must refer you to the full and comprehensive reports herewith submitted.

CONCLUSION.

The levying of taxes and the spending of the same is, in the public eye, the most important feature of legislation, and you will be thanked or condemned by the people just in proportion as your public action is influenced by the sentiments of frugality or extravagance. The money belongs to the people and not to you, and as honest agents you should exercise at least the same care and economy as in the management of your own affairs. Though in a kingless country, you would do well to remember the sentiment of the French king, when he said: "I would rather see my courtiers laugh at my avarice than my people weep at my extravagance."

Pass no unnecessary laws. Because a law will do no harm is no reason for its enactment. If it has no purpose can do no good. It is an evil. Make your laws clear and plain, so that every intelligent citizen can understand them.

Legislation by its indistinctness is often in the interest of the legal fraternity. See to it that your enactments are for the advantage of the people—whose interest it is your duty to protect—and not for the profit of the lawyers, who have always manifested the ability to care for themselves.

Never was the future of our young State as fair and promising as upon this bright New Year. With faith in the people, I have faith in their representatives. Invoking the blessing of the Great Law Giver upon your work, it is with serene confidence I give into your hands the management of the people's affairs, feeling that you will do everything to aid and nothing to mar the destiny of our beloved Colorado.

As I retire from the office of Governor, and return to the field of private life, I will carry with me only

pleasant memories of all officials who have been a part of the administration during the past two years. The kindly feeling and pleasant relationship that have existed between us is evidence that difference of political sentiment has not been strong enough to break the current of personal regard.

ALVA ADAMS,

Governor.