THE MESSAGE.

The Legislature of Dakota Listens to the Annual Documentary Greeting of the Governor.

A Sketch of Territorial Affairs, Accompanied by a Great Batch of Recommendations.

The Great Question of Division and Admission Given its Due Share of Attention.

Gentlemen of the Council and House of Representatives: In compliance with the laws of congress and Territorial enactments, you are assembled to enter upon your duties as members of the Fifteenth Legislative assembly. I shall briefly lay before you the condition of public affairs in the Territory, and earnestly renew some of the recommendations made in my message to the Fourteenth Legislative assembly, which remained unacted upon at the close of the last session. The period formerly fixed by congress for the transaction of legislative business was extended by the last congress from forty to sixty days. You will therefore have more ample time to consider questions of a public nature, and to revise some of the hasty and imperfect enactments now encumbering our code of laws. In this conuection I may be pardoned for suggesting that, in view of the near approach to statehood, it would be well to take up the public business early in the session, carefully revising all doubtful enactments, and so adjusting the laws of the Territory that no member of either house of congress can justly make our laws a cause for substantial objection to statehood. With a view of co-operating in the early consideration of the public business, and especially, as some of the Territorial appointments have been made to fill vacancies extending, under the code, to the end of the session, I shall defer the nominations of Territorial officers to a later period of the session than has been usual in sending names to the council. During the two years that have elapsed since the meeting of the last legislature, the people of all sections of the Territory have enjoyed unexampled prosperity. Our population has increased from 150,000 to nearly 300,000; our taxable property has increased from $20,000,000 to $50,000,000, and the agricultural and mechanical developments have fully kept pace with this remarkable increase of property and population.

FINANCES.

The Territorial finances are in a most satisfactory condition, as the following abstract of the territorial treasurer's report shows:

Statement of total receipts and disbursements for fiscal years, 1881 and 1882:

RECEIPTS.

Balance in treasury, Dec. 1, 1880	$1,905 73
From counties, 1881	55,918 86
From counties, 1882	102,005 93
From railroads, 1881, for 1880 tax	22,581 89
From railroads, 1882, for 1881 tax	35,614 39
From telegraph companies, 1882	518 57
From sale of insane hospital bonds, 1881	41,540 00
From sale of penitentiary bonds	51,522 50
From insurance companies for loss on insane hospital	3,000 00
From sale of codes, 1881	70 50
From sale of codes, 1882	65 00
From sundries, 1881	135 63
Total	$314,878 00

DISBURSEMENTS.

For auditor's warrants, 1881	$77,434 57
For auditor's warrants, 1882	151,116 82
For interest on warrants, 1881	1,693 57
For interest on warrants, 1882	693 00
For interest on insane hospital bonds, 1882	2,400 00
For interest on penitentiary bonds, 1882	1,900 20
For counties, proportion railroad tax, 1881	13,690 00
For counties, proportion railroad tax, 1882	22,250 94
For exchange and express charges, 1881	66 55
For exchange and express charges, 1882	148 65
Balance in treasury Nov. 30, 1882	43,463 90
Total	$314,878 00

LIABILITIES OF THE TERRITORY, NOV. 30, 1880.

Five-twenty 6 per cent insane hospital bonds, dated May 1, 1881	$40,000 00
Five-twenty 6 per cent penitentiary bonds, dated May 1, 1881	50,000 00
Total	$90,000 00

ASSETS OF THE TERRITORY, NOV. 30, 1882.

Balance in general fund	$11,149 20
Balance in insane hospital construction fund	68
Balance in penitentiary construction fund	2,313 93
Total	$13,463 90

AUDITOR'S REPORT.

The auditor's report, as will be seen from the following abstract, shows an equally favorable financial condition of the Territory:

Abstract of auditor's report for the years 1881 and 1882:

Total amount of warrants issued	$206,571 50
Upon the following accounts:	
Salary of superintendent and matron of hospital for insane to Feb. 22, 1881	224 99
Salary steward same for same	108 75
Condensed funds same for same	4,380 79
Construction same for same	41,539 32
Commission of trustees same for same	1,188 76
Maintenance hospital for insane from Feb. 22, 1881	13,302 43
Salary superintendent hospital for insane from Feb. 22, 1881	2,662 50
Salary steward hospital for insane from Feb. 22, 1881	2,130 00
Salary matron hospital for insane from Feb. 22, 1881	887 35
Pay of employes hospital for insane from Feb. 22, 1881	6,919 28
Fuel and lights for hospital for insane from Feb. 22, 1881	2,500 00
Incidental for hospital for insane from Feb. 22, 1881	937 99
Drugs and books for hospital for insane from Feb. 22, 1881	1,418 92
Farm improvements for hospital for insane from Feb. 22, 1881	2,446 85
Hospital improvements for hospital for insane from Feb. 22, 1881	4,469 30
Construction of Territorial penitentiary	49,588 99
Directors' fund	4,227 65
Pay of employes	493 17
Subsistence and clothing	625 00
Removal of dead bodies from insane hospital grounds	500 00
Deaf mute school building, Sioux Falls	2,000 00
Support of deaf mutes, Sioux Falls and Iowa	2,478 54
Printing reports of Territorial officers	218 00
Printing school laws	159 00
Engrossing clerks, fourteenth session	154 00
Purchase of revised codes	3,750 00
Purchase of books, Territorial library	52 87
Insurance on Territorial library	120 00
Rent of rooms for Territorial library	400 00
Care and custody Territorial library	530 00
Auditor's salary and office rent	1,856 25
Treasurer's salary	2,285 41
Salary superintendent public instruction	1,200 00
Mileage superintendent public instruction	345 15
Stationery and postage	233 45
Salary district attorney, First judicial district	2,000 00
Salary district attorney, Second judicial district	2,000 00
Salary district attorney, Third judicial district	2,000 00
Salary district attorney, Fourth judicial district	2,000 00
Transporting convicts	14,236 60
Transporting insane	12,794 92
Support of blind	6,162 40
Abstracts of entered lands	1,513 61
Return of fugitives from justice	548 00
Miscellaneous	1,954 96
Total	$206,571 50

Warrants issued on account of construction of hospital for the insane and territorial penitentiary have been paid out of funds realized by sale of bonds issued by act of legislature for this purpose.

Warrants issued by act of legislature Feb. 22, 1879, Chapter 58, amounting to $14,176.22, bearing 8 per cent interest, reported as outstanding in last report, have been redeemed by territorial treasurer.

There remains unpaid $1,893.40, warrants issued on general fund, this being the total outstanding indebtedness of the Territory.

There are also outstanding $40,000 6 per cent bonds issued on account of construction of hospital for insane, and $50,000 6 per cent bonds issued on account of construction of territorial hospital, making a total bonded indebtedness of $90,000.

Bonds outstanding	$90,000 00
Warrants outstanding	1,893 40
Total	$91,893 40

To offset the above indebtedness the treasurer has resources amounting to $43,463.90, but from which the current expenses of the Territory must be met. The details of all the financial transactions of the Territory are very carefully and accurately set forth in the comprehensive reports of the Territorial treasurer and auditor herewith submitted, and to which your attention is called. In this connection I earnestly recommend that provision be made by law for printing the reports of the auditor and treasurer previous to the assembling of the legislative assembly, in order that the printed copies may be laid before the members early in the session.

TERRITORIAL INSTITUTIONS—THE HOSPITAL FOR THE INSANE.

The hospital for the insane, which was recommenced through the liberality of Gov. Howard to meet a pressing emergency, has become a creditable and permanent institution. The new brick and comparatively fire-proof hospital buildings were so far completed when the wooden structures were consumed by fire on the 2d of last April, that the patients were promptly transferred to the east wing and made comfortable at a very slight expense. The sum of $40,000 in 6 per cent bonds appropriated to erect what was to be at first called the east wing of the permanent hospital buildings, has been so judiciously and economically expended under the efficient board of trustees, superintendent, architect and other officers, that the wing designed to be erected has been finished and completed, and the main building erected and largely completed in its interior arrangements.

I cannot too strongly commend the faithfulness and untiring zeal manifested by all having in charge the expenditure of the sum appropriated by the last legislature for permanent hospital buildings, and to recommend to your favorable consideration the estimates of the trustees for future improvements herewith submitted. The report of the medical superintendent shows that the average cost of support of patients during the past two years has been about $1.75 per week, and that the average number of patients who have fully recovered has been larger than at most other similar institutions. The necessity for increased accommodation for the unfortunate insane, with the detailed method of treatment, is fully set forth in the reports of the medical superintendent, steward and matron, to which your attention is invited.

THE TERRITORIAL PENITENTIARY.

It will be seen by reference to my last biennial message, that the Territorial prisoners have been kept during the past five years under a contract with the authorities of the House of correction at Detroit, in the State of Michigan. The large cost of transportation from remote portions of the Territory through several States for confinement, and other considerations, induced me to recommend to the legislative assembly the issuance of $50,000 of per cent Territorial bonds, for the purpose of erecting a substantial building, so constructed that it would ultimately serve as a wing of a substantial Territorial prison. Enactments were passed carrying out this recommendation; also creating a board of Territorial prison directors, and providing for the confinement of all Territorial prisoners at Sioux Falls.

Owing to the disastrous floods in the spring of 1881, the penitentiary board did not organize or commence the construction of the building for several months. The contracts, however, were let, and bonds executed for the completion of the work in season for placing the material upon the ground and laying the foundation during the subsequent fall and winter. Owing to the limited amount provided for the purchase of eighty acres of land, adjacent to the village of Sioux Falls, the directors accepted the liberal proposition of the Chicago, Milwaukee & St. Paul Railway company, on whose line the prison was located, to furnish the balance of the sum required to secure what they deemed to be the most eligible site for the prison, and to grade and construct a track from the main line directly to the prison grounds and yard. The directors also arranged for the transfer of several acres of ground, in excess of the eighty acres required for the Territorial prison, to the United States for the erection of a wing to be used for the confinement of United States prisoners, the whole when completed to form an imposing and complete prison front. For the concession thus made the directors received $500, which sum, with the donation received from the managers of the Chicago, Milwaukee & St. Paul railway, increased the resources of the prison board $3,000 or $1,000.

The board of directors, consisting of Wallace L. Dow, a competent architect; R. H. Booth, an experienced builder; and Thomas H. Brown, concluded after careful examination of various prisons to adopt plans for building the main center building of the prison, as well as the wing proposed, and by economical and judicious management of the work and favorable disposition of the penitentiary bonds, they have succeeded in nearly completing a most imposing and substantial prison, modeled after the new prison in Washington city, which has cost more than $200,000, while the prison at Sioux Falls, including the United States wing for which congress appropriated $30,000, will be substantially completed at a cost of less than $100,000.

A careful inspection of the hospital for the insane and the penitentiary buildings has convinced me that the Territory has secured two of the largest and most thoroughly constructed public buildings, with all the modern conveniences, that have ever been built in this section of the country for the money expended.

I therefore call your especial attention to the report of the penitentiary directors, and request favorable consideration of their recommendations for further improvement, and for the support and future management of the Territorial penitentiary. [Then follows the governor's proclamation, issued Nov. 22, declaring that after thirty days the Territorial penitentiary would be ready for prisoners sentenced by any of the Territorial courts.] The message continues:

Subsequently, on the —— day of November, I issued an order for the removal of twenty-nine prisoners from the house of correction at Detroit, who have, since their removal, been employed in finishing up and completing work upon the penitentiary building and grounds not performed under contracts. I am advised by the board of directors that the work of these convicts has been most satisfactory, and that the prison will soon be in condition to receive those remaining at Detroit, and all prisoners who may be sentenced by the various courts in the Territory.

I do not feel prepared thus early, and while the prison is but partially occupied, to make full recommendations in regard to the permanent employment of the prisoners, or the details of the management, but may deem it advisable hereafter to make a further communication upon these subjects.

THE SCHOOL FOR DEAF MUTES.

An appropriation of $2,000 was made by the last legislative assembly to aid in establishing a school for deaf mutes at Sioux Falls upon condition that ten acres of land and a building suitable for a school of this character, costing not less than $3,000, should be deeded to the Territory. The conditions imposed upon this appropriation have been complied with. * * * From what I have been able to learn, the course of instruction at this school appears to be well adapted to those entitled to its benefits. I am inclined to think, however, a school which receives such substantial aid and support from the Territorial treasury should be more fully under Territorial control and supervision.

CARE OF BLIND.

The care of the blind has been committed to an institution at Vinton, Iowa, under an arrangement made with my predecessor, at which place pupils have been supported and educated during the past two years at an average cost of $216 for each pupil. Your attention is especially invited to the feasibility of educating and providing for the blind within our own borders. I am inclined to the opinion, however, that the pupils from this Territory have been well cared for, and have made due proficiency at the institution referred to.

AGRICULTURAL COLLEGE.

An act was passed by the last legislative assembly authorizing the location and organization of an agricultural college at Brookings, upon the compliance by the citizens of Brookings with certain conditions in regard to furnishing a suitable site. These conditions have been complied with, and the officers of the college duly appointed. As the location at Brookings is comparatively a central one, and the country adjacent a rich and productive farming region, I suggest that the legislative assembly memorialize congress for a grant of land to enable the officers of the agricultural college to begin its beneficial work.

NORMAL SCHOOL.

Provision was made by the last legislative assembly for the organization of several normal schools, on condition that suitable parcels of land for their location should be deeded to the Territory within a given period. But one or two of these proposed institutions have complied with the requirements for their organization, and but one, so far as I am aware, has been put in operation. While I would cheerfully recommend donations of land by the general government to aid a reasonable number of normal schools, I cannot approve of legislation looking to any other use of the land set apart by the general government to establish a grand common school educational system than that contemplated in the acts establishing the schools referred to. I regard it a duty of the highest importance devolving upon the executive, to guard with jealous care the munificent grant of the 16th and 36th sections of land in each township, which will become a rich legacy to the people of this Territory when it becomes a State.

The Dakota university, established at Vermillion, under the laws of the Territory, and the Yankton college, located at Yankton, are both so far approaching completion that they will be ready for occupancy during the next season. In view of the probable opening up for settlement of a considerable portion of what is known as the Big Sioux reservation, I would suggest that the legislature memorialize congress for grants of land to aid these important educational institutions.

PUBLIC EDUCATION.

The report of the Territorial superintendent of public instruction presents a brief summary of statistics, and of the system now authorized by law, with recommendations for a new and better code of laws for our schools. By the report it appears that several important counties have failed to make any return, and the reports received are imperfect. By these reports, including that from Pembina county, received since the superintendent's report was printed, it appears that the total school revenue of forty-four counties, for the year ending March 31, 1882, were $343,719, which the superintendent is satisfied a full report would have increased to $500,000. This sum is raised almost wholly by direct taxation, since it does not seem from the reports that the proceeds of bonds, issued to enable districts to erect and furnish school houses, were included in receipts to any considerable extent.

There are in all forty-nine organized counties, from forty-six of which reports for that school year were due. More or less full reports from thirty-three counties show the following statistics:

Total school districts organized	1,225
Total graded schools	40
Total ungraded schools	965
Number of school houses	799
Value of same	$525,877
Amount paid county superintendents	38,616
Average wages paid teachers, male	33
Average wages paid teachers, female	26
Total expenses of the office of superintendent of public instruction for salary, mileage, office, printing, books, stationery and postage	956

The defects of our present school system are pointed out briefly by the report, and among these, the chief are: The increasing tendency to local and special laws, which isolate and localize our best schools; and the irregularities and great inequalities in the area, population and property of school districts, with the evils arising from the frequent changes of boundaries. As a cure for these, it is recommended that one general law authorize and govern boards of education in all incorporated cities, towns and villages, which shall be treated and required to report as a class, and that another general act provide for the organization of civil townships, as school corporations throughout the territory, which shall be of adequate area, and which shall assume the place of school districts in the control of the schools. This recommendation is in entire harmony with that urged in my message two years ago, and it now meets my hearty approval. It has the full endorsement of the most experienced and ablest superintendents in the United States. It has been fairly tried in several States. It is urged for adoption in many States now. It has the very warmest support and intelligent recommendation of the able and experienced commissioner of education of the United States, who favors it from a knowledge of the experience of the entire country.

The plan has the merit also of going back to the foundation of the school system, which had its origin in the townships of New England. The transfer can be now made in Dakota without great inconvenience. The differences between districts that are merged into school townships can be easily adjusted. There are undoubtedly many irregularities, inequalities, and wrongs growing out of the district system. In the oldest counties these are not yet avoided. There is also often a lack of care and responsibility in their business methods. On the other hand, the township system undoubtedly assumes uniformity, equality and responsibility, while it opens many direct advantages to the schools, and promises the wisest economy in their business affairs.

Whatever shall be your final views as to system and change from the present plan, there can be no question of greater importance which shall require your attention than the subject of public education. It is now, and must more and more become, the chief institution of the commonwealth. Wise and careful action concerning it will redound more to the credit of Dakota than the ablest measure you may pass upon any other subject. The intelligent sentiments of your constituents will sustain, as they have no doubt already prompted, your most consistent treatment of this great interest.

TAXATION.

The United States statutes, our organic law, provides that no act shall be passed "impairing the rights of private property or making any discrimination in taxing different kinds of property, but all property subject to taxation shall be taxed in proportion to its value."

Most of the States have embodied in their constitutions the principle that all classes of property shall be taxed equally and proportionately. As we approach Statehood the imperative duty devolves upon the legislative assembly to examine carefully an assessment laws and see that they conform to the organic act. The privilege of assessing taxes upon a people is the foundation of government. Equal and just taxation is the corner-stone of the republic. It, therefore, becomes our plain duty to equalize the public burdens by seeking out all new sources of revenue now escaping the assessor's list.

I am in receipt of communications setting forth that large numbers of the most valuable mining claims in certain sections of the Territory have been worked and held for several years since their owners were authorized to take out patents for them; but that in order to avoid taxation the owners of these mines, in many instances foreign corporations, have declined to complete their titles, thus increasing the burdens of those who, in good faith, comply with the plain intentions of the mining and land laws. It is asserted that mines producing a revenue sufficient to pay large dividends upon $15,000,000 or $20,000,000 of stock or shares, are escaping their equal share of taxation by the payment of taxes upon less than one-fifth of the actual value of the property. It is also asserted that patents have been declined upon lands granted by congress to certain railroads running through the Territory, although the lands have passed into other hands under contracts and are thus kept out of the assessor's lists.

As a member of the board of equalization and assessment, it has come under my observation that gross inequality exists in assessing the land and personal property in the various counties. I am, therefore, constrained to believe that a large amount of property in the Territory wholly escapes assessment; that certain classes of property is assessed altogether too low, thereby unduly and unjustly increasing the taxes of the farmers and business men, whose property is all exposed to undue assessments. While thus strongly urging a revision of the tax laws, I desire not to be understood as recommending any hasty or extreme legislation, but simply to advise a careful revision of our laws bearing upon this important subject.

The present law taxing railroads upon their gross earnings yielded a revenue in 1881 for the business of 1880 of $22,583.87; for the year 1882, for the business of 1881, $35,614.39—showing an increase of more than 50 per cent during 1881. It may fairly be assumed that the revenues from that source will increase in the same or greater proportion during 1882 and 1883, thus yielding a very large revenue before the assembling of the next legislature, and at the end of the year 1884, which will be five years during which assessments have been made under the present system. All railroads in operation within the Territory at the time of the passage of the present law will be required to pay 3 per cent of their gross earnings. This will increase the rate 50 per cent, which, with the increased business upon the 2,000 miles of railroad which will then be in full operation, will largely reduce the direct tax upon counties for Territorial or State purposes, and also largely augment the revenues of the various counties through which the roads are operated. Sec. 24, Chap. 46, laws of 1879, the act to which I have referred, provides that the governor shall have power to examine into the correctness of the returns made by corporations to the Territorial treasurer. In pursuance of this provision I have required written statements from the proper officers of the various railroads whose lines extend into the Territory, showing the methods by which the gross earnings of such portion of their lines are ascertained and returned to the treasurer, and from the examination which I have been enabled to make, I find no reason to doubt the correctness of the amount of gross earnings which each railroad company has thus returned for taxation. I am also advised by the treasurer that in most cases the railroad taxes are promptly paid into the treasury, without any expense for collection.

I am, therefore, of the opinion that unless some better method can be devised, after a full consideration of the question, that the present law for taxing this class of property should stand, at least until it has been fairly tried under the 3 per cent rate—at the expiration of five years from its enactment.

As this form of tax, and the suggested inequalities in the taxation of mining lands and lands donated to railroads, not covered by the taxes upon gross receipts, will undoubtedly engage your attention, and yet, with the limited time at your command, you will hardly be able to collect statistics and give full hearings to parties interested, I respectfully recommend that early action be taken, providing for a commission to consist of five members, of which the board of equalization shall constitute three members, and that two additional members, consisting of one from each of the two political parties, shall be appointed, and confirmed by the council. If the commission should be provided for, the members should be instructed to commence, through correspondence and otherwise, a thorough investigation of our whole tax system, and to prepare bills and make reports to the present and next legislature for equalizing and correcting any gross errors which they may discover in the present tax laws.

COUNTY AND SCHOOL DISTRICT ORGANIZATIONS.

The organization of a school district and its proper financial management is an undertaking of no small magnitude. The organization of a county, and the putting in operation of its important and complicated machinery, is a work requiring ability and sterling integrity. The present law authorizes the governor to appoint three commissioners to organize new counties whenever he is satisfied that the county contains fifty legal voters. It also authorizes the county commissioners to appoint the requisite number of county officers, and to temporarily locate the county seat. I am of the opinion that it should require at least 100 actual residents and legal voters before organization should take place, and that the law should be so amended that in cases where the county commissioners could not agree upon a place for the county seat, they should be authorized to designate the place where each officer should keep his office and allow the county seat question to be settled by a majority vote at the next election.

The first fifty men who, for various reasons, take up their residence in a new county are not always the safest men from whom to select and secure commissioners who will faithfully and honestly lay the foundation for an economical management of the affairs of the county. The present laws give county commissioners almost unlimited power to mismanage the finances and wreck a county. As a board of equalization, they sometimes assume the authority, under the pretense of revising the assessors' lists, to cut down the assessments in certain cases nearly one-half, without attempting to find any property which has escaped assessment, or that has been assessed too low, to make up the deficiency, thus largely increasing the rate upon the property which remains unchanged. Under the operation of this unequal system the Territorial board of equalization and assessment are compelled to adopt a higher average rate than would be necessary if a better system was provided. I have in my mind a single county, the Territorial tax of which, according to the return made to the auditor by the county assessor, amounted to $15,000, and was so assessed last year; yet, through the cutting-down process referred to, and the failure to enforce other assessments, the county has paid only about $5,000, thus reducing the Territorial revenues $10,000, which must be assessed upon counties the coming year which have paid their full proportion last year.

There is now outstanding against various counties in the Territory nearly $100,000 of Territorial taxes, heretofore assessed upon delinquent countries, yet the present laws provide no adequate means for the collection of this large sum. There is no uniform system in keeping the accounts of the treasurer of the various school districts or of the county treasurer. Nor is the power vested in the executive, as in most of the States, to suspend or remove a county officer for malfeasance or neglect of duty. I earnestly suggest, as a measure of reform, that a commission of finance be provided for, whose duty it shall be to examine into the accounts of all Territorial officers, disbursing or handling school district, municipal, county or Territorial funds, and whose duty it should also be to establish a uniform system of accounts, and to make quarterly reports to the executive; also special reports when required.

The executive should be empowered upon the report of the commissioners and other satisfactory evidence to suspend or remove any delinquent financial or county officer.

In support of these suggestions, you are respectfully referred to the similar provisions, which I understand have worked very satisfactory results in the State of Minnesota.

CHANGING OF COUNTY LINES—LOCATION AND ERECTION OF COUNTY BUILDINGS.

A carefully made tracing of county lines, neatly prepared in the surveyor general's office, shows that there is a large number of townships or tracts of land in various parts of the Territory not included in any county. These errors have occurred to a great extent through the hasty and ill-considered manner in which counties have been divided and county lines changed to suit the interests or caprice of those connected with former legislatures. No county should be divided or county lines changed where settlements have been made without careful consideration by the legislative assembly and provision made for submitting such dismemberments to the voters affected by it.

The question of issuing bonds for the erection of county buildings and the location of the same produced several disagreements between the executive and the legislative assembly during the last session. I then advised, and have seen no good reason for changing my mind upon these subjects, the passage of a law authorizing counties to issue bonds bearing a reasonable rate of interest, for the erection of a suitable court house and jail whenever the legal voters of a county should, by a majority vote, decide to erect such buildings, and to an amount that would not make the total indebtedness of the county exceed 5 per cent of the assessed valuation thereof; also to decide by a majority vote where such county buildings should be located.

REFUNDING OF COUNTY AND OTHER BONDS.

The large amount of school district, municipal, and county bonds, bearing a high rate of interest, now outstanding, ought soon to be refunded and replaced by carefully prepared and strong securities, bearing a rate of interest in proportion to the present value of money. In order to accomplish this result, I recommend the passage of a carefully prepared and strongly guarded funding act, similar to that now in force in the States of Illinois, Iowa and Kansas, embracing provisions for registering all bonds issued in the office of the Territorial auditor, and so guarded by remedies for a failure on the part of the officers charged with the duty of assessing the tax to meet the requirements of the bonds that no considerable delay or default could occur.

THE YANKTON COUNTY BONDS.

The failure of the officers of Yankton county to meet the requirements of $200,000 of bonds issued to aid in the construction of a railroad, has caused severe criticism and unfavorable comment during the discussion of the bills for the admission and division of the Territory. Certain enactments passed by the last legislative assembly, although general in their provisions, intended to prevent the assessment of taxes, have been widely and unfavorably commented upon in the public press. The people of Yankton county, previous to the last election, inaugurated a movement to refund or liquidate these outstanding bonds, bearing a high rate of interest, by the issuance under congressional authority of a well-guarded low rate of interest bond which the revenues of the county could meet as the interest and principal should fall due. A committee of the most substantial citizens and taxpayers of Yankton county have recently visited Washington and presented a memorial to congress, asking authority to liquidate this large indebtedness upon terms favorable to the county and just to the bondholders. By an agreement with the agent of the bondholders all proceedings against the county are to be stayed during the present month of January, while the bill for refunding this indebtedness now before congress, is being considered. If, owing to the pressure of business now before congress, or the opposition of those opposed to admission and division, the refunding bill now before congress should fail, it may become necessary for the taxpayers of Yankton county to ask the legislative assembly to pass a special refunding bill to wipe out this troublesome indebtedness. If it is thought advisable to take action in the matter I may deem it my duty to submit another communication upon this subject; also advising, as soon as the Yankton bond question can be adjusted, that the objectionable legislation passed at the last session, to which I have referred, be repealed.

ADMISSION AND DIVISION.

There are now pending in both houses of congress bills providing a comprehensive enabling act for dividing the Territory by the admission of the southern half as a State; also a bill for dividing the Territory substantially upon the same line. It is not denied that the southern portion of the Territory has the required number of inhabitants, who, if living in a State, would be entitled to a member of the house of representatives. It is not denied that the amount of taxable property in the southern portion is fully equal to that in any Territory that has been admitted as a State. There is very little doubt that a majority of the members of the senate and house of representatives are favorable to the passage of the enabling act referred to; yet, during the limited number of days before the expiration of the present congress, the opponents of admission and division may prevent action, and thus delay the matter until the assembling of the next congress. If this delay should occur, I deem it of the utmost importance that this legislature memorialize congress to increase the membership of the council to twenty-five and the membership of the house of representatives to seventy-five; that an act providing for an additional United States judge for this Territory be passed, and that they make more adequate provision for the protection of the school lands. If, on the other hand, division or admission should be secured before the close of the present session of congress, grave responsibilities will devolve upon the members of the Territorial legislature in preparing for transition from Territorial to State government.

TERRITORIAL MILITIA.

In my message to the fourteenth legislative assembly, I recommended the organization of a small force of active volunteer militia.

The provisions of the present militia law with the recommendations I then made, are set forth on pages 22, 23 and 24 of the printed copies of my last biennial message, to which you are respectfully referred. On account of the excited condition of the Sioux Indians about the time of the assassination of Chief Spotted Tail, I deemed it advisable to procure from the general government 1,000 stand of improved arms and accouterments, with a supply of fixed ammunition. These arms for which I gave bonds as governor of the Territory, were shipped to my order, here at the capital upon which there were some $350 freight charges for which the money was advanced upon guarantee by the territorial treasurer. Arrangements have been made for the storage and safe-keeping of the arms, accouterments and ammunition. I have also authorized several commanders of posts of the grand army to enroll volunteer militia companies at each of these posts, to each of which it is proposed to furnish forty stand of arms upon the bonds of the officers of such companies to safely keep and return such arms to headquarters when so ordered.

I have also suggested to the officers of the Grand Army posts that they aid in the preparation and presentation to the legislative assembly of such amendments to the present militia law as will insure the organization and support of three regiments of volunteer militia of minimum number. Your attention is earnestly called to the action I have taken and to the propriety of such legislation as will relieve the executive from the obligations under which I have been placed in securing for the Territory the arms, accouterments and ammunition named. If the officers of the Grand Army of the Republic see fit to co-operate with the executive in presenting such measures as will insure to the Territory a creditably and comparatively inexpensive small Territorial militia, I shall make further communication upon this subject.

TERRITORIAL ATTORNEY.

The rapid development in all parts of the Territory and the unprecedented increase in population impose greater responsibility upon the Territorial government; the proper administration of justice seems to require the creation of a new office to be known as Territorial attorney, who should be paid a reasonable annual salary and his actual traveling expenses while in discharge of his duties in the various portions of the Territory. The duties of the office should be to advise the executive and other Territorial officers upon all doubtful legal questions, especially with reference to the issuance of extradition papers, the issuance of patents or charters, under Territorial laws, and to advise and assist in the preparation, management and trials of important Territorial cases in the various judicial districts of the Territory. There are now fifty organized counties and but four judicial district attorneys, and no provision of law for the election or appointment of county solicitors. It, therefore, seems evident that the best interests of justice in other public service requires that provision be made for the office of territorial attorney, who will be authorized to act for the whole Territory, before all the courts, and give advice to all Territorial officers on all proper occasions. I am advised that many of the Territories made provision for such an office previous to Statehood, and I feel warranted in saying that our present revenues will fully justify the creation of this office.

The message was read at 2 this afternoon. After giving an official history of the floods of 1881, the governor recommended that provision be made to send assistance in any similar emergency. He strongly urged the establishment of an immigration bureau, and agricultural board of three members—one for each department, who should collect statistics and give information about the Territorial resources. He called attention to the probable opening of the big Sioux reservation and that such legislation be taken as might be deemed necessary. Ninetein pardons and five reprieves have been granted during two years. One case was because of insanity and other, the prisoner died before the pardon reached him. The message recommended that the executive be authorized to offer rewards for arrest in cases of highway robbery, arson and some other crimes, as well as for escaped Prisoners, or those charged with crimes punishable with death. The registration law, passed two years ago is limited in its application, and the recommendation was made that the law apply to the whole Territory. The board of commissioners have no little discretionary power, and the county clerks too much. The election laws should, therefore, be amended to insure all sections a fair vote and an honest count. The Crawford county primary system is recommended. He again suggests the amending of the marriage and divorce laws, and thinks a year's residence should be required before an application for divorce can be made. The message was favorably received.

THE FIRST MEASURE

to pass the legislature was a memorial asking for the reappointment of Judge Moody in the Black Hills. The extra Moody salary bill which was vetoed by Gov. Ordway two years ago, at the suggestion of the United States attorney general, was one of the main causes of the unpleasantness between the governor and the legislature as the governor and Secretary Hand, both think themselves justified in opposing the judge's reappointment. It is unfortunate that anything should come up to revive the former unkind feeling. The memorial passed the council before the message was read.

A Fateful Character.

"If I was an actress, instead of an actor," said a well known professional, "I would not play the part of Eleanor Vaughn in 'Davy Crockett,' for a thousand dollars a week. Venie Clancy traveled with Frank Mayo several years ago in that role, and she died of consumption. Then Laura Clancy, her sister, was engaged, and she is dying of the same disease in Southern California. A third Eleanor was Laura Don, and a few days ago she sailed for Southern France, and her last remark to me as I bade her good-by was that she would not live to come back to America. Her physician had pronounced her disease consumption. People say that we of the dramatic profession are superatitious, but these are facts that ought to make everybody afraid of acting Eleanor Vaughn."

Progress of a Pullman Town.

Chicago boasts a model town, called "Pullman City," established by the inventor of the Pullman cars. It is hardly four years old, and has cost $6,000,000, which already pays six per cent. on every element of it. There are 3,500 acres of land, costing $800,000. The town proper is built on 500 acres, all that by law could be an appurtenance of a manufacturing company. "It is in idea," says a New York Tribune letter, "a car company surrounded by a city for the operatives, and for an ideal mechanical life, the whole to pay, to be free of disease and to exalt the condition of men. At one end are the great brick shops, turning out fifteen cars a day, with a tower of brick two hundred feet high, to distribute the sewerage, while the heat etc., are dispensed by the great engine which drove the machinery at the centennial exhibition. At the centre and other end are the plaza and town, all of brick, with nearly 10,000 inhabitants, half a mile from Lake Michigan; an artificial lake comes into the plaza, on which are the arcade, hotel, Gothic church, market house, railway station and Pullman railroad." The houses rent from $11 to $60 a month. A school for mechanical art is to be maintained and a school of design. There is a library of ten thousand volumes and an elegant theatre.