State of the State Governor William Holloway January 6, 1931

MR. PRESIDENT OF THE SENATE, MR. SPEAKER OF THE HOUSE OF REPRESENTATIVES, MEMBERS OF THE JOINT SESSION AND FELLOW CITIZENS OF OKLAHOMA:

Gentlemen:

In compliance with the constitutional and legislative requirements, I am herewith submitting to you by message a brief report on the conditions within the state, as they relate to the several departments, institutions and agencies of state government.

I assumed the duties of Governor on March 20, 1929, and during almost the entire period of my administration the state and nation have suffered from the blighting effects of a financial and business depression which finally reached a crisis in the crash of the stock market in October and November of that year. The causes that led to this sudden reversal of normal conditions are variously charged to overproduction, over-speculation, and the logical results of a high tariff; but it is sufficient for me to say that while these conditions first developed outside of Oklahoma, the industrial and financial depression which immediately followed soon enveloped our own fair state, so that the last year has been one of growing unemployment and failing income, and has seriously impaired our agricultural and other markets.

It is no pleasure for me to recount these gloomy details, but such are the unpleasant facts which we must face, and it is neither the part of wisdom nor of good policy to ignore the seriousness of this situation or to encourage the delusion that the return of prosperity is just around the corner – that the period of depression and hard times is almost at an end.

So far as the falling off of income could embarrass and affect the state, its subdivisions and departments, Oklahoma has suffered as severely as any firm or industry. Much of the state's income for the past several years has come from the gross production tax on oil, and sources closely related to the development of this great industry. The alleged overproduction of oil and consequent pro-ration; the lowering in price, and failure of markets; and the reduced collection of income and advalorem taxes has so drastically reduced the estimated revenues that we are now confronted by conditions that call for even greater economy in state expenditures during the ensuing biennium. A grave and earnest consideration by your honorable bodies and the incoming administration providing for a readjustment of the sources and amount of the state revenue to care for the necessary expenses of our state government is bespoken.

These changed and unlooked for conditions, that have arisen largely since the adjournment of the Twelfth Assembly, have, notwithstanding the economy urged in all departments of the state government, and practiced by them so far as possible, resulted in a considerable deficit in the income for the past year that must be taken into account in the estimates on which appropriations are made for the ensuing year.

It is not my province to enter into details as to the methods that shall be employed, either to reduce the state's expenditures, or to increase its income. That will be the duty and responsibility of my successor in office and of the legislature.

Fortunately, the incoming Chief Executive, with the loyal support and co-operation of both houses of the legislature, will take up the task with a sincere determination to find the right solution, and make such changes under the Constitution as will assure the future progress and stability of the state.

The financial and business affairs of Oklahoma since statehood have, with few exceptions, been conducted with efficiency and ability, and while the state now suffers with its people from loss of income due to causes beyond the control of state government, and our citizens are depressed by unemployment as a result of the terrible drouth that visited every section during the past year, there is solid satisfaction in the knowledge that Oklahoma has made constant progress and improvement in the development of her natural resources, the growth and advancement of her public schools and institutions of higher learning, the increase and expansion of her industrial activities, in the fact that our state stands today in the very forefront of the sisterhood of states as a commonwealth whose citizens have turned opportunity into accomplishment through energy and high purpose, making history in the way of state building that will not be surpassed in ages yet to come.

The state at this time has a capital investment in buildings and equipment of about one hundred million dollars, all paid for, starting at statehood in 1907 almost at bed-rock. It has taken a public school endowment of ten million dollars in lands and money and, by wise management, careful handling and reinvestment, created a trust fund, conservatively estimated at fifty million dollars. Other states were given an equal allowance in land values, but in most of them the proceeds of the land sales were dissipated by unwise investments, and the endowment for public schools provided by the Federal Government has been lost.

Much has been said in the heat of political campaigns about the growing expenses of state departments and the impression has been left in the public mind that state affairs are conducted with a riot of extravagance. An examination of the records will show that the average yearly appropriations for the departments of state as a whole have increased but little in the past several years.

For you information, I submit the following table of comparative annual appropriations for the state departments since 1923:

Year	Amount
1923-1924	. \$5,443,204.92
1924-1925	. 4,648,522.57
1925-1926	. 4,495,461.84
1926-1927	. 3,364,233.48
1927-1928	
1928-1929	. 3,615,120.64
1929-1930	. 4,448,150.29
1930-1931	. 3,947,200.54
Total	. \$34,074,698.67

State income during the earlier years of the past decade exceeded the expenditure, and at times sufficient surplus was carried over to avoid the necessity of a full state levy of more than a limited levy on the advalorem tax-payers. Four years ago, however, the legislature felt compelled to make a direct appropriation from state revenues of \$1,500,000.00 per year for the support of weak schools, and as no additional income was provided for, a deficit was created and has continued from year to year. In 1929 a supplemental appropriation of \$250,000.00 was made for weak schools, making a total for that fiscal year of \$1,750,000.00.

I have recited the facts relating to reduced income from gross production and other taxes and concerning increased expenses on account of weak schools to show you that the present deficit which must be taken care of at this session of the legislature is a logical outcome of the conditions and circumstances that have affected the state's finances, and that it is in no way connected with reckless and extravagant expenditures by state departments or by increased

appropriations for state purposes, although the state services continue to grow and expand and to require additional appropriations for their efficient operation.

I have every confidence that the new Governor and this legislature will meet the present situation and make such readjustments as may be necessary to make income match expenditures and keep the ship of state upon an even keel.

In compliance with law, the various departments and institutions of the state have filed with the Governor their reports setting forth fully the work of said departments and institutions, amount of moneys received and disbursed by them, and other general information. I am herewith filing all such reports with the legislature. I trust that the members of the legislature will make free use of these reports, and I am sure that several of them are so important for the consideration of this session of the legislature that they should be printed in order that they may be made available for all the members.

THE AGRICULTURAL SITUATION

Let us not forget in this age of industrialism that Oklahoma continues to be predominantly an agricultural state. Much has been done to mitigate the condition of our farmers during the crises through which they are passing. Following the establishment of the Federal drouth relief work, I appointed a state drouth relief commission to present to the President and Congress the needs of the farmers of Oklahoma. This commission was successful in securing for our farmers a grant of \$150,000.00, which made available a timely, and much needed supply of seed for the drouth-stricken areas of this state. The members of this commission have served tirelessly and well. As a result of the recent action of the Congress of the United States, two million dollars will be available to the state for seed and other productive costs connected with the crops of the coming year, which will measurably alleviate the dire need of many Oklahoma farmers.

Agriculturally, Oklahoma's most pressing problem is the conservation of the fertility of the soil. During the past year, under guidance made possible by special funds appropriated for the purpose, Oklahoma farmers have terraced more than 150,000 acres. This work must go on if we are not to lose the basis of our agriculture. The continued support of agricultural leadership should be a main objective of state government. The northwest wheat sections of this state could not have met the sudden break in wheat prices this year if already the modern methods of large-scale machine farming had not been introduced. Likewise, dairying is now facing a critical period, and efficient scientific leadership must continue. These are not all of the problems of agriculture, by any means; but the discussion will suffice to indicate the extent and nature of agrarian needs. Let our motto be scientifically trained leadership throughout the state.

SCHOOL LAND DEPARTMENT

Many of the states in the Union have practically dissipated the huge gifts of school lands by the Federal Government. Oklahoma, on the contrary, has by the careful and conscientious husbanding of her school lands, which total 700,000 acres in area, safeguarded and augmented that trust.

Few of our citizens realize the extent of this vast business carried on by the state in the interests of public education. There are 4,500 accounts carried, and during the past 18 months a total of more than \$10,000,000.00 has been loaned, or an average of over one-half million dollars a month. During this period, the loan fund has been increased nearly three million dollars, from \$30,947,644.00 to \$33,569,636.00. We have turned back to the general revenue fund from fees collected \$168,574.65, which amount should be compared with the appropriation for this year covering the activities of this office, in the amount of \$125,000.00.

Out of \$5,000,000.00 either past due or delinquent at the beginning of my administration, \$4,500,000.00 has been collected, renewed, or placed in good standing, while \$1,500,000.00 involved in 622 remaining cases has been submitted to our attorneys for foreclosure.

The oil and gas division has sold \$516,499.00 worth of oil and gas leases, and has collected \$111,552.00 in delay rentals, \$628,017.00 in oil royalties, and \$41,679.00 in gas royalties, which, in addition to other items and fees collected, total \$1,299,809.00 of added wealth.

These earnings are placed in the permanent fund, and in turn loaned out on farm lands, constituting a most significant factor in relieving the depression centering upon Oklahoma farms as a result of the world-wide economic maladjustment in the midst of which we at present find ourselves. This practice is in sharp contrast with that of the past of purchasing bonds with the surplus instead of making it available to the farmers of Oklahoma.

I am indeed glad to be able to report to the Legislature and the people of Oklahoma that the losses attendant upon the conduct of the Land Office are not as great by far as those sustained by ordinary conservative firms of like nature in the course of the proper and careful conduct of their business. It is important in this connection to bear in mind that the almost unprecedented break in the price of farm crops has resulted in such negligible returns on farm land that the price of the latter naturally has fallen below a reasonable value for normal times. With the return of economic conditions to more prosperous times, the security back of our loans naturally will appreciate in value. The public need have no fear concerning the assets back of these loans, nor concerning the value of land taken over in foreclosures; for with the return of prosperity, the state may dispose of them, if it so desires, at a substantial profit.

STATE BANKING DEPARTMENT

The banking situation in Oklahoma is fundamentally sound, in spite of generally adverse economic conditions. There has not, during the past decade, been a time when the banks were more sound. Definite steps have been taken looking to the final liquidation and final settlements of all questions involved in the guaranty fund. A suit is now pending in the district court of this county, and the district judge has appointed the Honorable John B. Harrison referee. The banks and other claimants are submitting their proofs to the referee, and we expect an early determination by the courts of the matter involved.

It has been the policy of this administration to encourage a reduction in the number of banks wherever economic conditions did not in our judgment justify competing institutions. This has enabled us to render a more efficient service and much better supervision. After all, a community must pay in overhead charges for too many banks. Unsound competition among banks in any community is a most sinister influence. The number of state banks has decreased by 22, but their capital investment has increased nearly two million dollars. Since June 30, 1928, 29 state bank charters have been granted, representing an aggregate capital investment of \$270,000.00. In addition to these, ten banks have increased their capital stock by an aggregate of \$230,000.00. Nine banks have consolidated with others; eighteen have voluntarily liquidated, paying their creditors 100 cents on the dollar; four have absorbed national banks; twelve have renewed expiring charters, and thirty-two have failed, chiefly because of the deflation and readjustment following the late war. Eight of these have finally liquidated, and have paid final dividends averaging 97.3 cents on the dollar. Thirty-three of the banks which have failed since the assumption of office by the present State Bank Commissioner are still in active liquidation, their average dividend rate thus far being 59.4 per cent; further dividends will still further materially reduce this loss. Total resources of trust companies under the supervision of the State Banking Department total \$48,112,961.99.

You will remember from the above figures submitted that we have had nine consolidations and 18 voluntary liquidations during the 28 months period referred to above. The State Banking Department is doing all it can to bring about consolidations in towns having too many banks and voluntary liquidations at points which are too small to support a bank. There are still a number of towns with more than one bank which should have only one institution; and there are some towns which, at the present time, are too small to support the single bank which they have. We have several consolidations and several voluntary liquidations arranged for the very near future. It has been the earnest endeavor of the Banking Department to raise the banking standards of our state system, and to encourage better managerial policies and put into force sound loan and investment policies. I believe there is a higher standard of bank management and a more intelligent understanding of good banking policies existing in this state today than ever before, and there is a growing spirit of state banking pride among the state bankers.

In contrast with the serious and widespread increase in bank failures in some of our neighboring states, the condition in Oklahoma is very promising, especially if we bear in mind those facts that indicate that the situation is working steadily toward a sound and stable basis which will enable our bankers to meet almost any future crisis. After all, not the least of Oklahoma's triumphs during the past 23 years is that we have been able to build a financial structure to care for the tremendous expansion of the state upon such solid foundations that it could weather the drastic reactions of the present depression as well as most of the older states of the Union, and better than many.

BOARD OF PUBLIC AFFAIRS Penal and Eleemosynary Institutions

The State of Oklahoma, in the final analysis, is but a big business corporation serving all the people. In carrying on this business, the State Board of Public Affairs is charged with a major portion of the responsibility for and direct control of a great many of our state institutions. It likewise is charged with the responsibility of contract purchases for most of the departments of state government. It is quite obvious, therefore, that it is highly important that this board be composed of men of unquestioned integrity and real ability. In this regard, I feel that my administration has been particularly fortunate. The present Board of Public Affairs has conducted the state's business in a most efficient and satisfactory manner, not only to those persons dealing with the state directly, but to the public generally. They have required the strictest sort of business policies, and have carried on the state's business on the same principles that any sound, safe business institution would employ. As a result of this policy, we submit that there are but few states in the Union today whose institutions and departments are operating in a more efficient and satisfactory manner than those in Oklahoma. In all state contracts awarded by this board, the public will find that the state has received full value for every dollar expended.

The conduct of the state's penal and eleemosynary institution is one of the aspects of this administration for which I feel a pardonable pride. There has been thoroughout, on the part of all charged with responsibility for the unfortunate inmates of these institutions, a define effort to administer affairs concerning them, not only in the interest of economy, but with a full recognition of the human relationships involved. In contrast with the great number of serious and tragic prison revolts, which have occurred at many points throughout the United States during this time, affairs at our penitentiary for adults at McAlester and the Boys' Reformatory at Granite have pursued a normal course, bespeaking a condition of fair and humane treatment therein.

It has been our earnest desire with respect to the several institutions for detention for the young in the state to make of them schools operating to correct and remove anti-social attitudes and weaknesses, rather than penal institutions attempting to stamp out crime in the young through punitive measures. Most noteworthy of the accomplishments in this direction is the remarkable work following the reorganization of the State Training School for Boys at Pauls Valley, where the initiation of the most modern methods for dealing with delinquent boys has resulted, as the state at large well knows, in a complete reformation in attitude and esprit de corps on the part of the boys assigned there. In this connection, I wish to give particular credit and thanks to the State Department of the American Legion and to the Elks. These great organizations volunteered their efforts in behalf of the boys at Pauls Valley, and thus they have rendered a patriotic service which will be forever appreciated by the people of Oklahoma.

I am sorry to report that the number of inmates in practically all institutions continues to increase, the rate during the present administration being about 5 per cent. It should be considered in connection with this, however, that the population of this state during the past decade has increase 18 per cent, according to the 1930 federal census. I have been pleased to note that the per capita cost of operation at the Oklahoma State Penitentiary has been reduced 2 1/2 per cent, of the Whitaker State Orphans' Home by 4 per cent, of the Western Oklahoma Hospital by 5 per cent, and of the D. B. and O. Institute by 11 per cent, while in some of the other institutions there have been equally as great increases in per capita costs. These may largely be traced either to the granting of long-deferred needs which no longer could be ignored, or to the necessary expenses entailed in furthering a more humane and sociologically correct regimen for the inmates.

The state will be particularly gratified to know that the industries operated in connection with the Oklahoma State Penitentiary at McAlester have made an annual net earning of well over a quarter of a million dollars. These earnings go to reduce the cost to the state of the maintenance of this institution, to preserve a satisfactory mental hygiene among the inmates, and to turn back into society individuals equipped with a technical trade so that they may take up useful vocations among their fellows.

Average daily population of the Central Oklahoma State Hospital for the Insane has increased during the past two years by 266, more than 15 per cent, and the facilities are still inadequate for the state's needs. The average daily population at the Oklahoma State Penitentiary has increased in the same period by approximately 16 per cent. I mention these figures in passing for their importance with reference to the problem of public education, with which I shall deal later.

With the increasing complexity of our social and economic order, the demands made upon the individual are proportionately greater and more pressing. The statistics of our penal institutions and of our hospitals for the insane measure the extent to which our society is failing to provide adequate educational means of adjustment of the individual to the new social order. Education is indeed in a race with catastrophe. The per cent of a state's population which can be isolated in such institutions without seriously overbalancing the social order is a matter of most immediate and grave concern. We cannot afford to measure the cost of proper social adjustment in terms of dollars and cents alone; the vital question is: What progress are we making toward an adequate adjustment of the present and coming generations to the social order which we have chosen to support?

PRESERVATION OF THE STATE'S HISTORY

For several years the pioneers in the development of our state have seen the urgent need for the erection of a suitable building which would preserve the invaluable records of the state's territorial history. We have just completed and dedicated the Oklahoma Historical Society

Building, which perhaps is one of the most beautiful and valuable buildings devoted to that purpose in the entire nation. I wish to commend the officers and members of the Historical Society, the legislature, and other public spirited citizens who, in a united effort, made this accomplishment possible.

MILITARY DEPARTMENT

A complete property inventory and financial audit was made of all state and federal military property for the period ending January 1, 1930, and surveys were approved by the Militia Bureau of the War Department in the approximate sum of sixty-four thousand dollars, covering all lost and worn-out property, and thereby relieving the state of all claims by the federal government against that department for military equipment and supplies.

I have presented to you these details relating to the Military Department because in many of the states it has been necessary for the legislatures from time to time to make substantial appropriations from state funds to reimburse the federal government for the loss through carelessness of military equipment, or the failure to properly account for the same.

The progress and improvement of the National Guard during the past administration has been steady and highly creditable to all officers charged with its administration and training. Harmony and a high sense of public duty pervades the entire organization, and efficiency is the watchword in all arms of the service.

In aid of civil authorities, the Guard has had many calls to service in Oklahoma, and has discharged all ordered duties with promptness and dispatch, and with such efficiency and discipline as to win the confidence and esteem of the civil authorities and the people.

FISH AND GAME COMMISSION

The conduct of the Fish and Game Commission has been characterized by many excellencies, some of which it is fitting to point out here as typical.

Warm water fish hatcheries within the state have been increased in area from approximately 45 to 107 acres. This increase has been brought about with no additional administrative costs. Annual fish production in the state has been increased from 1,071,400 in 1929 to 1,922,050 in 1930, an increase of 850,000, or about 80 per cent, in one year. Oklahoma has just completed what officials of the United States Bureau of Fisheries term the finest warm water fish hatchery in the middle west.

The Commission has been able to place under game bird propagation lease, as approved by the Attorney General, some 130,000 acres of splendid game bird cover. During the first summer and fall, special attention has been given to the elimination of predatory animals and birds in these tracts, and to the establishment of proper food areas and cover. This will remove the necessity of importing game birds from Mexico. In addition to these game bird propagating farms, the Commission now has under a ten-year lease as game refuges more than 800,000 acres of land.

Seven public parks have been purchased, reasonable in size to prevent future burdensome maintenance costs, and well located with reference to streams and state highways. At this time, the Fish and Game Commission has under consideration the building of lakes in Woodward, Kay, Washita, and Texas Counties. It has under negotiation the purchase of valuable park property along the Pennington Creek in Murray County, and it is also negotiating a long-time lease with the city of Davis for considerable acreage including Turner Falls.

All considered, the whole program of the Fish and Game Commission has been sound and progressive, and is rich with splendid possibilities for the benefit of generations to come.

THE STATE INDUSTRIAL COMMISSION

Turning now to the accomplishments of the State Industrial Commission, it is my pleasure to invite your attention to what I believe to be one of the most significant and worthy developments during my administration.

Statistics compiled within the last few years show that approximately 50 per cent of the industrial accidents causing disability are due to the fault of neither the employer nor the employe, but to the inevitable and inherent hazard of the trade. Thirty per cent of such disability seems principally due to the fault, not necessarily intentional, of the employe. Since under our statutory and common law system no compensation is paid on these disabilities, it follows that approximately 80 per cent of the wage loss caused by disability due to work accidents must be borne by the workmen themselves. There is no sound reason why the workmen should assume so large a part of the cost of the finished product of any industry.

The plain purpose of the Workmen's Compensation Law is to place the risk of an accident on the industry itself, and hence compensation on account thereof should be treated as an element in the cost of production, added to the cost of the article, and borne by the public in general. This is accomplished by charging upon the business through insurance the loss caused by such disability, thus making the business and the ultimate consumer of the product, and not the injured employe, assume the cost of the accident incident to business.

The establishment of the fact of fault or negligence of the employer under our statutory or common law system through an action in damages by the injured employe involves intolerable delay and great economic waste, gives inadequate relief, operates unequally, and from the standpont of both the employer and employe is inequitable and unsuited to the conditions of modern industry.

The Oklahoma Workmen's Compensation Act accomplished these ends through a system of compulsory compensation to the employe in hazardous industries, which naturally results in employers covering themselves with the necessary insurance. Right of action to recover damages for personal injuries not resulting in death arising and occurring in hazardous employment as defined in the act, except the right of action reserved to the State Industrial Commission for the benefit of the injured employe, is abrogated; and jurisdiction of the court of the state over such cause, except as to the cause reserved to the State Industrial Commission for the benefit of the injured employe, is abolished. The act requires medical, surgical, and hospital treatment at the expense of the employer in addition to all of the benefits, and as a part of the compensation otherwise payable.

This Commission, under the able leadership of Judge Thomas H. Doyle and composed of efficient and public spirited members, has had my earnest support during my administration. During that time, there have been issued 118 orders for payment of medical bills, 6,231 orders on joint petitions and agreements, 3,494 cases heard, and a total of 59,133 notices of injury filed, together with hundreds of other items requiring attention. Eleven thousand forty-five dollars and twenty-five cents have been awarded for medical bills, \$587,482.70 has been awarded on cases heard, \$1,353,444.84 has been awarded on joint petitions and agreements, in addition to \$27,497.02 on cases from the Supreme Court, the total of adjustments reaching \$2,079,469.81.

With the increasing co-operative spirit between labor and capital in industry, the functions of this Commission become even more vital to the well-being of our economic and social organization. The citizenship of the state should familiarize themselves with the splendid work done by this body, in order to insure adequate appreciation of the work accomplished and an intelligent fostering of its activities.

EXECUTIVE CLEMENCY

One of the most difficult and responsible duties of the Governor is the exercise of the power of executive clemency. In the two penal institutions of the state, there are at this time approximately 3,800 inmates. The case of each of these prisoners constitutes its own problem. To assist the Governor in the discharge of this duty, the legislature has heretofore provided a pardon and parole attorney and several office employes. It is obvious to anyone, therefore, who is familiar with the subject, that the proper consideration being given to these unfortunates could easily take the entire time of the Governor. When I had been in office only a few weeks, I became stunned with this responsibility. I saw at once how difficult it would be for me to undertake to give a fair and just consideration to even the most deserving appeals for executive clemency. I felt, therefore, that I would be doing both myself and these unfortunate persons a serious injustice unless I could provide some means to give thorough consideration to at least the most deserving cases.

After a thorough study of the questions involved, and after surveying the plans of the various states of the Union, I concluded that I should appoint an unofficial board for the penitentiary at McAlester and a similar board for the Boys' Reformatory at Granite. I was fortunate in being able to draft to this service some of the most outstanding and public spirited citizens of the state. They have served without compensation. They have tackled the problems in dead earnest; and these two boards and the pardon and parole department, in my judgment, have rendered the state a distinctive public service worthy of approval. The boards have followed the policy of meeting at the respective institutions once each month, have carefully scrutinized and investigated each case under consideration and interviewed the prisoners. In many instances, they have recommended elemency where the prisoner had not even made application for such consideration.

Following each board meeting, fullest publicity has been given to the recommendations of these pardon and parole boards. After their recommendations had been made and filed, the Governor has invited the public generally to scrutinize such cases, and to file protest if there should be any grounds for such action. It is gratifying for me to be able to say to you that only in a very few cases have protests been filed following any recommendations made by either of these boards. In practically every instance I have granted clemency as recommended.

This procedure has raised the morale of the prisoners in the institutions to a remarkable degree. Prisoners have been given to understand that if there was real merit to be presented, that it would be considered and give the weight to which it was entitled. The practice of employing persons to present cases either to the board or the Governor has been specifically discouraged from the beginning. I earnestly feel that the people of the state owe a debt of gratitude to the members of these two pardon and parole boards for their efficient, conscientious, and public-spirited service. The boards and the Pardon and Parole Attorney working together have made it possible for the Governor to grant clemency where it was apparently deserved, and to be fully advised of the facts in cases wherein favorable action was not warranted.

STATE HIGHWAY COMMISSION

The question of state highways is one close to the hearts of all the people, not only because the proper policies of highway construction touch vitally all citizens, even to the humblest dweller in the most remote hamlet, but also because the financial disbursements of the State Highway Commission constitute the greatest single expense of state government. One of the chief tasks confronting the State Highway Commission, upon its appointment in April, 1929, was the reconditioning of state highways. It was necessary to devote considerable time and money to rehabilitating these roads and bringing them back to a proper condition of maintenance. A central maintenance department was established, equipment secured and work

systematized, and at the present time the state highway system is in its best condition in the history of the state. Many miles of earlier constructed roads of lighter types have failed under the heavy traffic of recent years. It has been necessary to strengthen and reconstruct a large mileage of these roads.

The past year has been the greatest in the history of the state for road building. The amount of road surfaced in the state ranks sixth for the entire nation. Twelve hundred and three miles have been improved with some form of surfacing, rendering the road suitable for traffic every day in the year. The standards of construction have been raised until the Oklahoma standard is the equal of any in the country. Right of way one hundred feet wide is required, grades and culverts are built thirty-six feet wide, and all surfacing twenty feet wide. Bridges are built for twenty-ton truck loads and made twenty-two feet wide.

In order to give as much relief as possible to unemployment, the State Highway Commission has used all the funds at its disposal. The federal and state appropriations have been entirely consumed, as have also the county funds contributed to the Commission on special projects.

The outstanding achievement of the year has been the completion entirely across the state of United States highway No. 77. This work has been under way for the past ten years, and existing gaps were complete in 1930, giving the state a road from border to border, 255 miles in length, representing a total expenditure of approximately \$9,750,664.00. Other roads completed connect the Capital City with Shawnee, Holdenville, Tulsa, Bartlesville, and Enid. There is now a continuous paved highway from the Red River south of Marietta through Oklahoma City and Tulsa to the Kansas-Oklahoma line north of Bartlesville, totaling 343 miles. No other state has completed a paved highway from border to border without resorting to a statewide bond issue.

Following the enactments of the Twelfth Legislature, the Highway Commission has removed from the state highway system three of the existing toll bridges. It has also joined with the state of Texas in the construction of three other bridges, which will eliminate toll structures. There remains but one toll bridge on the state highway system, and on this the franchise expires in 1931.

Without any special means provided, the Commission has undertaken to regulate the use of heavy vehicles on the roads, which in the past have done considerable damage and cause material loss through the destruction of hard-surfaced roads and bridges.

During the years 1929 and 1930, the Commission has completed and placed under construction the following work:

607 miles of paving, 895 miles of treated gravel, 310 miles of untreated gravel, 1148 miles of grade and drainage, 200 major bridges.

At the close of the year 1930, the state highway system consists of 5,418 miles of highways. The state of improvement is as follows:

1602 miles of pavement, 900 miles of treated gravel, 857 miles of untreated gravel, 791 miles of earth road graded for surfacing, 2259 miles of road shaped to natural grade but not improved for surfacing. Thus we have 3,368 miles with improved surfaces suitable for use every day in the year, and less than one-third of the system has not been improved to standard grading and drainage.

Highway transportation has become a major industry and is so closely associated with the lives of our citizens that adequate measures should be taken in order that all highways may be utilized to the fullest extent. Of first importance are measures looking toward the protection of life and property. There is need of a general revision of our law covering the use of the highway to secure these results.

The people of Oklahoma have contributed generously to the building of our state highways. A number of our counties have assumed obligations extending far into the future in order to secure the benefits of improved roads. If the use of these roads is unrestricted as to type and capacity of vehicles, there is certain to follow a loss on this public investment, through the destruction of hard-surfaced pavements and bridges. As a major consideration, the legislature should enact the necessary laws to protect the highways from destructive forces of overloaded vehicles.

To continue the work thus far undertaken, my successor and the legislature will find that it is essential that additional revenue be secured for the use of the Commission. There are no longer county bond issues at the disposal of the Commission as there have been in the past. The people of Oklahoma are requiring a higher standard of construction, which has increased the cost of the work. We have more vehicles on the highways that are traveling at higher speeds, and the people of Oklahoma are no longer satisfied to travel through a cloud of dust or over muddy roads. A higher and better type of maintenance is necessary, and there is a need for a large mileage of lightly surfaced oil roads, which are serviceable until more lasting types can be provided. The present rate of improvement will require many years to complete the major road system, and if there is to be no delay in this program, additional funds will be necessary.

The burden of the additional revenue should fall on the road user and those who profit directly from the highway. It is believed that it will be possible to provide the needed revenue through the collection of a tax on all motor fuel used in motor vehicles. Vehicles on our highways used exclusively for commercial purposes and engaged in transportation as a business can well afford to pay a higher license fee than at present. Recipients of special benefits accruing through transportation permits should contribute more to the highway fund. There are also industries associated with the highway and entirely dependent upon it that are not contributing their part to the cost of state highways.

One of the greatest benefits to the people of the state would be in placing the entire highway system, at the earliest possible date, on permanent location with adequate right of way and suitable grading and drainage. This will permit the development of private and public improvements without the possibility of future loss by changes in highway location.

A careful survey of road building materials in the state should be made, and every measure adopted to encourage the use of local materials and products manufactured within the state.

EDUCATION

I could not close this discussion of the period of my incumbency without reference to the status of education in Oklahoma. More and more it is borne in on me that in the maintenance of an adequate and free system of public schools from kindergarten through college lies democracy's sole chance for survival. Freedom of opportunity to enter all levels and all callings has stimulated individual endeavor beyond the power of imagination to conceive. Thoughtful reflection will reveal the essential spring geared to modern institutions productive of prosperity is free public education. Not only this; mass production, division of labor, concentration of capital, increased mobility of people and goods, and countless other social and economic forces

arising out of our new democratic organization demand greater adjustment of human beings to the artificial environment they have created. Literacy is no longer the ability to read and write; social literacy is the ability to grasp the social and economic significance of the printed page, whether it be a set of instructions for the care and operation of a car, or an account of a debate upon a matter of great moment.

Imbued with the seriousness of the educational problem, I have made the improvement of Oklahoma's educational program a matter of first consideration. There are many constructive accomplishments to report.

The most serious educational problem confronting Oklahoma when I assumed the office of Governor was that of the adequate financing of the weak schools. This problem has been conscientiously and constructively dealt with by a succession of administrations, each contributing its quota of assistance to the solution of the problem. But all have realized that the system of state aid at present in vogue is not a satisfactory solution, and therefore cannot be regarded as a permanent one. I am glad that the enactment of the last weak school aid bill enabled the schools of this state to keep open their doors for an eight month term, but I do not feel that the problem is solved. Because of this, I appointed an unofficial educational commission of laymen and educators, all of whom served without pay, who addressed themselves to the careful study of the problem. This group, through the financial aid of philanthropists, employed internationally recognized specialists, noted for their constructive work upon like problems in other states, who came to Oklahoma and in conference with the commission studied our situation. Their report and recommendations, to be distributed through the office of the State Superintendent of Public Instruction, will soon be available to any interested person requesting a copy. This report strikes at the heart of the difficulty and sets out a program of reform that is definite, practical, and tried. In substance, it provides for the assumption by the state of a minimum educational program, relieving the local communities of the grievous ad valorem tax burden they have been carrying. For the plan to be most successful, the revenue for the cost of this minimum program should come from sources other than ad valorem taxation. The plan further calls for better rural school supervision and administration without removing from the district its local board powers.

Another constructive measure has been the revision and improvement of the law providing for the adoption of textbooks. Whereas all books have been adopted each five years, the law has been amended to provide for the adoption of one-fifth of these books each year. This makes possible a better choice of books, better prices, and a greater relief from the burden of buying so many texts in one year. Text book prices are lower now than they have been at any time in the past ten years, and the last adoption showed a material decrease in price in almost every text selected. In fact, there has been an average saving of 22 per cent over the old adoption. Books have not been changed as often as heretofore, and changes are now being made only when there is sufficient justification for same. As an illustration, the public schools are now using the same reading texts which were adopted in 1924. Never before since statehood have changes in text been more infrequent than for the past two adoptions. In the event the state should decide later to furnish the textbooks free, it would be a much simplified procedure under this law. The appropriation necessary to buy books would be distributed over five-year periods, rather than on outlay for an entire set of texts at one time.

Certification of teachers has been put upon a plane more in harmony with the progress of Oklahoma in education. The Vocational Education Board authority has been transferred to the State Board of Education, thereby eliminating one official board, removing some duplication of effort, and unifying further educational work within the state. The attendance in public schools has been materially increased, the term lengthened so that few rural schools have failed to have a

full term, and a large majority now maintain nine months terms with well trained teachers, the equal of the city and town schools.

A state course of study for both the elementary grades and high school was constructed during the year. This was done through a co-operative effort of over two thousand teachers and superintendents in the state. It has already resulted in an improved type of teaching, and still greater results are to be looked for through its increased use, which is in keeping with the educational needs of the state.

The institutions of higher learning in the state continue to show a normal rate of increase. Rates of increase in enrollment of students of college level during the regular academic year for the past fiscal year over the one preceding are:

University of Oklahoma	3.4%	
Oklahoma A. & M. College	10.9%	
Oklahoma College for Women	1.0%	
Central State Teachers College	.7%	
East Central State Teachers College	1.8%	
Southwestern State Teachers College	3.1%	(decrease)
Southeastern State Teachers College		(decrease)
Northwestern State Teachers College	1.7%	(decrease)
Northeastern State Teachers College		,

Inadequate methods of taxation at present in force have rendered adequate support of these deserving institutions impracticable for so long that population pressure within them is assuming serious proportions. This state cannot afford to underestimate the need and place of these schools in the scheme of things. Entrance to practically every vocation and profession of emolument and distinction is more and more conditioned by your child and mine being able to prepare for his chosen field of endeavor in college. The college of twenty years ago with its visionary professor and too idealistic and restricted curriculum has become a training place for business, professional, and technological pursuits under men who have qualified in the world of business, of profession, of technology, in addition to having completed wide professional training in college. It costs money to employ successful men, and I am sure that no one wishes his child trained by professors who could not make good in practical affairs. If we wish to keep the gate of opportunity open to all alike, our state institutions of higher learning must be adequately housed, adequately equipped, and adequately staffed. Otherwise, those fortunate enough to afford being educated in better colleges outside the state will, through superior preparation and opportunity succeed, and education will become a class privilege. We must not close the doors of higher education to any youth except as he shall by his own performance himself unworthy.

CONCLUSION

I wish also at this time to pay my sincere respects to the other state officials with whom it has been my privilege to work. My appreciation extends to all officials, both elective and appointive; to the heads of all state institutions, many of whom have been in the service of the state ten, fifteen, and twenty years; and to the membership of all boards and commissions. In my service in the Governorship, with but two or three exceptions, I have had the wholehearted, cordial support of the legislature, and I have had this same cordial and loyal support from the other public officials, both elective and those appointed by me. There has been a spirit of harmony which, in my judgment, is vitally necessary to efficient public service.

In conclusion, permit me to express my gratitude to the members of the Legislature. I shall always cherish the loyal and courteous support which you have accorded me, and I fully recognize and acknowledge that the record of the outgoing administration has in no small measure been due to the co-operative and sincere efforts of the members of the legislature. From the fullness of my heart, I thank you.

May I bespeak for my successor, Governor William H. Murray, the same spirit of friendly helpfulness which has characterized your dealings with me. I often think that few citizens realize the strain that is inherent in the office of Governor. No man can succeed therein unless he have the loyal support of this body and the trust and confidence of the people of the state.

About Digitizing the Governors' State of the State Addresses

Section 9, Article 6 of the Constitution of Oklahoma provides as follows:

"At every session of the Legislature, and immediately upon its organization, the Governor shall communicate by message, delivered to joint session of the two houses, upon the condition of the State; and shall recommend such matters to the Legislature as he shall judge expedient."

From statehood in 1907 to present, the state of the state addresses of Oklahoma's Governors have been recorded in pamphlets, booklets, and Senate Journals. One could not foresee the toll that time would take on the earliest of these documents. When these items first arrived at the Oklahoma State Archives, the leather bindings had dried considerably, cracking the spines significantly. Due to the acidity in the paper, many pages have darkened with age. Some of the more brittle pamphlets crumble at the slightest touch.

Thus when we decided to digitize these materials, we faced two challenges: the safety of the original documents and ease of viewing/reading for patrons. Our primary objective was that the unique and historic qualities of the documents should be reflected in the website. However, older fonts would not digitize clearly when scanned and even using a flatbed scanner could cause the bindings to worsen. An image of each page would increase download time considerably and any hand-written remarks or crooked pages could be lost. We decided to retype each document with every period, comma, and misspelled word to maintain the integrity of the document while placing some unique images of the documents online. Patrons can download the addresses quicker and view them clearer as well as save, print, and zoom with the Adobe Acrobat Reader. We have learned much from our efforts and we hope that our patrons are better served in their research on the state of the state addresses of Oklahoma's Governors.