

State of the State
Governor Johnston Murray
January 4, 1955

TO THE HONORABLE SENATE AND
HOUSE OF REPRESENTATIVES,
TWENTY-FIFTH LEGISLATURE
OF OKLAHOMA

Mr. Lieutenant Governor, Mr. President Pro Tempore of the Senate, Mr. Speaker of the House of Representatives, and The Honorable Members of the Joint Session:

Time in its inexorable passage, as well as providing a beginning, brings also an end to all material things. This is as it should be, for it is by the passage of time and the advent of new methods and new minds than an impetus is given to progress. Were this not true, we would find ourselves in a world of stagnation.

Four years ago in this same Chamber, at the beginning of my administration, I had the honor of addressing you and laying before you the hopes, the aims, and the aspirations of that administration. Again in 1953, at the beginning of the legislative session, I appeared and laid before you a communication for your consideration, pointing out both the accomplishments and the failures of the past, and expressing new hope, and outlining new aims for the future.

Today, at the end of my administration, it becomes my duty to make report to you, and to account to you and through you to the people of Oklahoma for my stewardship as the Chief Executive Officer of this State. In the brief time that I shall use, it will be my purpose to outline what I sincerely believe to have been accomplishments of merit. I shall also be compelled to outline with complete frankness some of the failures that have been made, and to express an opinion concerning the causes thereof.

In candor I confess that I have made mistakes . . . mistakes in my judgment of human characters, mistakes in honest judgment as to what should be done at a given time or under given circumstances. For all of these, I am truly regretful, but I find consolation in the honest conviction that none of them were of a disastrous nature.

On the other hand, as my administration draws to its close, I take pride in noticing its major accomplishments. Many of the things which I set out to do have been done, and I have noted with special satisfaction public declarations upon the part of the new administration that it has in many particulars adopted the program that I have so often-times laid before you and urges you to enact into law.

I here and now again express the hope that in the dawning of this new day you will take inventory and be awakened to the needs and reforms that have so long been neglected and ignored by the legislative bodies of the State of Oklahoma.

It is fitting that I say here that through lack of means of acquiring a full knowledge of the basic and underlying reasons, the public often-times places the blame on the wrong department. The Chief Executive is constantly in the public eye. The Legislative and Judicial Departments are not under the white light of public scrutiny except at intervals, and we therefore note a proneness on the part of the general public to blame the Chief Executive for the faults, failures, and omissions of another branch of the Government. They overlook the fact that these faults, failures, and omissions are, in many cases, the primary cause of the failure of an administration to keep its promise or to accomplish its end. On this subject I shall have more to say later.

In my earliest declarations, and particularly in my inaugural address, I told the people of Oklahoma that they had nothing to fear from my administration in that it would be an administration of progress, designed to do constructive things, and pledging that it would not be used to upset or destroy any of the cherished institutions or methods or practices which had stood the test of time and proven themselves good for our mutual welfare. My campaign had been based upon this promise, coupled with a promise that there would be no new tax burdens imposed upon the people of this State during that administration. These two promises have been faithfully kept. This administration has been a peaceful and constructive administration. The transition from the former administration to mine was accomplished with less turmoil and strife that has ever been witnessed before in such a transition.

Merit was recognized, and no man was removed from his office for the sheer joy of removing him, and many of the appointees of the previous administration are still serving with distinction.

Our undivided effort and attention has been given to enlighten the people of the Nation and abroad to the wondrous possibilities that lie in Oklahoma, and we have attempted constantly to carry this educational campaign on a dignified plane and in keeping with the highest standards or ethical advertisement.

I can say to you with certainty that the industrial expansion of Oklahoma during my administration has been marvelous, and this was accomplished in spite of the fact that legislative response was not given to the many requests made for legislation of the type that would offer inducement and assurance to outside industry to come into the State of Oklahoma. If such response had been given by way of revision of our tax structure and the elimination of many obsolete and archaic practices, there is no way of being able to tell how much greater the advance would have been. I have just noted in the 1953 a study released by the Department of Commerce indicated that 600 new business firms were added in the State of Oklahoma. I am sure that 1954 will be a great if not greater. But our industrial expansion is not yet up to standards, and it never will be until reforms are accomplished. The State of Arkansas for the same period had 1,000 new firms added, Louisiana added 2,000 new firms, Texas gained 4,400 and Kansas added 700 firms. This should impress you with the fact that although our advancement has been great and the results accomplished have been good, there is yet something lacking, and let me tell you now that the "something lacking" is not in the natural resources of Oklahoma – the "something lacking" is not in the geographic location of Oklahoma – the "something lacking" is not in the citizenship of Oklahoma – it is the failure of Oklahoma to

modernize its governmental structures along modern lines, and to keep pace with modern legislative development. These are the things that retard our State.

During this administration much stress has been made upon the recreational advancement of the State. We have recognized the fact that all work and no play is not only detrimental to our own citizenship, but is a subject of inquiry by all who see to find domicile within our borders, and so we have at all times stressed recreation, the conservation of wild life, and the development of facilities along these lines to the utmost. In the last month a seven-million dollar program was started. I am sure that it will be pursued to completion, and when completed, we will have facilities the like of which is not to be found anywhere except in the resort states of the Nation.

By the exercise of as much economy as was permitted under the appropriations made, the State Government and all its facilities have been kept within the income and revenues provided. At the same time, no tax increases have been allowed or granted. Unfortunately, however, our revenues are not increasing, and every economic standard that we can apply at this position indicates that we cannot expect any material increase in the foreseeable future, and we can even reasonably anticipate that there will be substantial decreases. And so, whatever the reasons have been in the past for urging legislative reforms - the abolition of expendable institutions, a general tightening of our economy, and the elimination of useless and reckless spending - these reasons apply with equal and greater impact now than ever before.

At the beginning of the present administration we found it necessary to vitalize a constitutional amendment providing for death benefits under the Workmen's Compensations Laws. This was a long step forward, and it has been accomplished satisfactorily. In this connection, too, I would like to point out the fact that during my administration there has been no serious conflict between management and labor. I claim no special credit, of course, for this, but it is most gratifying to know that we have a State in which management and labor, for the most part, live in peace and have a happy cooperation, each with the other. It is a high recommendation for both labor and management that this condition exists.

While I am dealing in generalities, I would like to point out to you that during my administration both Mrs. Murray and myself have placed major emphasis upon public relations. We have endeavored by all proper means to bring the executive family of this State in close contact with the public. We have wanted the public to feel that the Executive Office and the Executive Mansion belonged to them. The response has been sincere and spontaneous. Multiplied thousands of people have passed through the office and the mansion, and we sincerely believe that through this process we have instilled confidence into the hearts of our visitors and have removed from the Governor's Office any feeling that such an office places its hold in an inaccessible position or beyond the reach of the average citizen. In catering to the "plain folks," we have tried heartily to be "plain folks," and we leave this environment happy to return to the ranks of "just plain folks."

LEGISLATIVE PATRONAGE AND THE MERIT SYSTEM

The modern trend of legislation is toward the establishment of systems of merit under which employees with recognized ability and integrity can be given security in their positions. There is much wisdom in this trend. It is only in governmental agencies where instability exists. In all classes of private enterprise where a man shows ability and integrity he is not only kept on the job but advanced according to his merits. During the past years in Oklahoma these virtues have meant but little. Every administration brought new faces. To make these changes every four years under the most favorable circumstances are hurtful for that it requires a system of training before new employees can be made efficient. Every argument that I can think of favors the adoption of a system of merit that will really accomplish the ends which it seeks to attain.

The adoption of a merit system will go a long ways toward eliminating the greater burden of a conscientious legislator's life – the patronage burden. Some seek patronage for political expediency, but in his heart every conscientious legislator knows that in the procurement of patronage he is expected to give up something in return. That something usually amounts to a surrender of his independence of thought and action in a legislative body. Some legislators even go farther and seek to fill positions of responsibility in order to procure favors and special privileges from the holder of such office. On the whole, however, I believe that in his heart every conscientious legislator wished that he could escape the burdens of the patronage demand. A merit system will minimize this burden.

In this connection, and in passing, I would like also to add a protest against the trend in Oklahoma toward legislative encroachment in the Executive Department of the Government. For the past quarter of a century there has been a growing trend upon the part of each legislature in the creation of positions or recreating existing positions to require legislative approval or sanction of the persons selected to fill such positions. With but few exceptions this is an arrogant and unwarranted invasion by the legislature and usurpation of executive prerogatives. The Executive Department of the Government is held responsible for the acts and doings of subordinate appointees. In many causes, to appease the legislative demand, a Governor is compelled to accept appointees both undesirable and unfitted. The practices should be discontinued and the responsibilities of each branch of Government should be borne by that branch alone.

The adoption of the short ballot system would go a long ways toward the promotion of greater harmony and efficiency in the Executive Branch of the Government.

RECIPROCAL AGREEMENTS BETWEEN THE STATES

I have previously addressed you upon this subject, pointing out the great advantages that have been attained or kept as a result of reciprocal agreements between the states. This has proven true, particularly in the field of oil and gas conservation through the medium of the Interstate Oil Compact Commission, and in flood and water control through the various agencies created for such purpose.

I feel that greater attention should be given to this subject, and one field that we have neglected woefully is the field of regional education. In view of the recent Supreme Court opinions with relation to segregation, wherein the precedents of three-fourths of a century have been set aside, it becomes immediately necessary that this subject be completely reviewed in the hope that through regional facilities we may be able to ease somewhat the strain both from an economic and social point of view.

I most respectfully urge you to completely re-examine this field of legislation, and to seek at all times to coordinate local legislation with that of which we seek. Such coordination and uniformity of enactment are very essential.

PUBLIC AND MENTAL HEALTH

During this administration great strides have been made in public health and in mental health, particularly in the latter. We have risen from the lower ranks in the category of states to a very high position, and the development of this field is yet in its infancy. I urge you, from an economic, a social, and a humanitarian point of view, under no circumstances to neglect or hamper this great work, and if there is any place that I would sincerely recommend a more lavish expenditure than presently being made, I would pick this department.

I know, too, that you will give earnest consideration to all of the phases involved in a general public health program. As the years progress, so had the span of human existence, something greatly desired by all of us. Not only is this true, but by reaching better standards for the care and treatment of human ailments, we have been able to increase human intelligence and human efficiency. Sick men cannot think well or work well, and as we furnish our citizenship ways and means to keep well and feel well, we increase their incentive, their love of life, and the good that we can do unto each other as we pass along life's highways.

UNIFORM PURCHASE AND CONTRACT CODE

Upon this subject I have always been persistent and will continue to be as long as I live. Four years in the Governor's Office have convinced me that the lack of uniformity in our methods of purchasing the necessary supplies and equipment for our State departments, and the lack of uniformity in the making and enforcement of contracts made by the State and its subdivisions with others, are costing us multiplied millions of dollars each biennium. These losses are occasioned by waste, extravagance, and the payment of exorbitant prices. A well-balanced, carefully controlled system of buying should be enacted for the use of every department, from the State down to the smallest municipal division.

A complete reorganization of our Statutes pertaining to the advertisement, letting, supervision of performance of public contracts should also be made. Deviation from plans and specifications, extra-charges, over-charges, extensions, and the like, are being accomplished with impunity, and the result on the public pocketbook is unconscionable. There can be no valid reason why the necessary corrections are not made, and until they are, the public will continue to suffer.

PUBLIC BUILDINGS

You will have, I apprehend, a dearth of request for public buildings. During the last six years, we have expended the thirty-six million dollar bond issue on public buildings, besides numerous others authorized by two legislatures. I am apprehensive that public necessity has not demanded all of the expansion that has been done. I am convinced that in the interest of economy, no further expansion should be done within the foreseeable future except in exceptional cases, or as a replacement where a building has been destroyed by a fire or like catastrophe. No matter how hard we try to take a fair prospective view of the public buildings question, we find it always impressed with the demands of pressure groups who have little regard for the general public welfare, and a reckless, zealous, selfish regard for some particular department or institution.

To be very frank, I would favor some process by which a scientific survey could be made and real necessity determined before a public building would be allowed for any purpose. Such a survey, if authorized could be done and accomplished in such manner as to provide for reasonable anticipated needs, and instead of having a multiplicity of buildings, as has been the past practice, could be so constructed that they would take care of the future needs of an institution for an indefinite period.

PUBLIC UTILITIES AND RATE FIXING

In the past year and one-half you will remember that there has been a veritable rash of applications by public utilities for increased rates, and, in almost every instance, the rates have been granted in accordance with the application. Hearings have been conducted but in most of these cases the public has been without representation. Practically all, if not all, of these increases have been based in part upon consideration of the Federal tax laws as they existed prior to 1953. We know that the Act of Congress of 1953 conferred many benefits upon corporations of this nature. We have not heard of a single instance where such tax benefits have been passed on the public by rate reductions.

Within the space of a few short months one Oklahoma utility passed from an average state in its class rates to one of the highest states in the Nation. I am not attempting to say that the rates fixed are not justified, but I am saying that I do not believe that the public interest has been adequately protected in any of this type of hearing for a good many years last past.

There was a time in our history when the Attorney General always appeared to protect the public interest. To procure this protection, I believe that an entirely new system must be evolved. I have not felt for a long time that it is proper for rate experts employed by the Corporation Commission or attorneys employed by the Corporation Commission to attempt to represent the public. Under such condition these employees, however honest, have a dual loyalty, and become immediately a subject of political coercion. They simply cannot serve the best interests of the public under such conditions.

I am therefore suggesting that consideration be given to the establishment of a proper division in the Attorney General's Office with adequate facilities to make investigations, giving such division full inquisitorial power, and the enactment of laws sufficient to protect the public interest. Among these I would recommend a law making it the mandatory duty of the Attorney General to appear and oppose all rate increases, to file applications to reduce rates where the facts justify, and making further provision that no rate fixed shall become absolute and final until the same has been passed upon by the Supreme Court of the State of Oklahoma, and that such court be given powers to review questions both of law and fact.

This can be accomplished without any measurable increase in expense by simply transferring the certain powers of the Corporation Commission to the Attorney General's Office, and placing the rate experts and attorneys representing such division under the jurisdiction and direction of the Attorney General rather than the Corporation Commission.

I would further recommend a general investigation by this Legislature of all the rate increases granted within the last two years for the purpose of ascertaining whether or not such rate increases have been justified under the circumstance, and whether or not under the tax savings made by utility corporations by reason of recent tax enactments, applications should be made on behalf of the people of Oklahoma for rate reductions. Constant and competent vigilance is necessary to keep the public from being exploited.

ROADS AND HIGHWAYS

The roads and highways program of this administration is one in which a just pride is asserted. At the beginning of the administration no appreciable physical work had yet been done on the toll road project from Oklahoma City to Tulsa. Much of the preliminary work had been accomplished, and we were therefore enabled to start immediately on this program. It was completed with all possible dispatch, and has not only been operating efficiently and profitably, but has become an outstanding project of its kind in the Nation. It has been viewed and inspected by officers and commissions from various states, and bids fair to become a national model.

To further relieve the traffic burdens of Oklahoma, and to bring our road system to the highest standard of efficiency, three more toll road projects have been authorized, and as this administration closes, much of the preliminary work on these projects has been accomplished, and the new administration will be enabled to start construction very soon. When these projects have been completed, we will have ideal outlets to the north, east, and south, leaving only an outlet to the west yet to be accomplished, and this, I am sure, will come within a reasonable time.

A western outlet is of vast importance for the reason that Oklahoma is one of the main states in the Union through which flows the national traffic from coast to coast.

By modernized engineering processes, efficient policing and management, traffic accidents on our toll roads have been held to an almost irreducible minimum, and this factor alone adds much to the desirability of this and similar projects. A human life saved cannot be estimated in dollars.

As one who was not too well convinced in the beginning, I find myself now thoroughly sold on the benefits derived from these projects, and I hopefully predict that Oklahoma will keep abreast the trend in the years to come.

While we have been building toll roads and preparing to build others, we have not been neglectful of the State highway system, and I take great pride in producing the following table showing the great advancement made during this administration toward the ultimate completion of an up-to-date State highway system:

\$123,657,648.26 in Construction and Maintenance Projects have been completed from January 1, 1951, through October 31, 1954. \$29,844,060.00 in projects under construction as of October 31, 1954, projects totaling \$7,288,433.18 were scheduled for the December 7th Letting, and \$21,690,593.82 are programmed as of October 31, 1954.

\$1,841.4 miles of the State Highway System have been paved.

504 Bridges were let to contract in the System in the amount of \$17,894,976.88.

Bridge repairs amounted to \$951,929.65.

Bridges Cleaned and Painted \$480,406.05

MILEAGE OF THE STATE HIGHWAY SYSTEM BY SURFACE TYPE

Surface Type	Jan. 1, 1951	Percent	Jan. 1, 1954	Percent
Paved	7,210	71%	8,411	82%
Gravel	2,441	24%	1,625	16%
Graded & Drained	<u>490</u>	<u>5%</u>	<u>260</u>	<u>2%</u>
	10,141	100%	10,296	100%

Major Bridges Completed from January 1, 1951 to October 31, 1954

Homer X White, Tulsa-Arkansas River
 Ponca City-Arkansas River
 Perkins-Cimarron River
 Clinton-Canadian River
 Tipton-North Fork of Red River
 Rosston-Cimarron River

Bridges Let to Contract

Norman-South Canadian
Union City-South Canadian
Camargo-South Canadian
Cushing-Cimarron
Albion Ferry-Red River
Hugh-Red River
Nowata-Verdigris River
Wagoner-Verdigris River

The Oklahoma Highway Commission is one of the most efficient departments in our State Government, and is made up generally of people who have made a career, as well as a profession, of this type of work, and I have noted with much satisfaction that Governor Gary has requested Mr. C. A. Stoldt to remain as Director of this great organization. He has been most efficient in the performance of his duties in my administration, and I am sure that he will show entire devotion and loyalty to the incoming Governor, as well as all of the members of the Oklahoma Highway Commission whom he may choose to keep. They are all fine, honorable gentlemen who have sacrificed much to be of service to their State and their people.

While we are on the subject of highways, traffic, and safety, let me again strongly urge that you review the laws of the various states with a view of modernizing our system of control, licensing, and taxing the commercial trucks which are using our free system of highways in ever-increasing volume. In its inception the free system of highways was not intended for such purposes. We tax the railroads to the utmost for their rights-of-way and their trackage. We should not permit them to be destroyed by a practice of furnishing free right-of-way to their competitors. This burden should be equalized and adjusted, and I am satisfied that it should be adjusted upwards.

REFORMATION OF COUNTIES

I am not unmindful of the delicate nature of this subject. I recommended it before and the legislature gave it the silent treatment – extremely silent treatment. The enactment of such a system will necessarily mean a reformation of the legislature, and there are those who are so zealous of their legislative power and position that they would rather see the State suffer than to take this forward-looking step. Let me point out to you the inescapable fact that many of our counties are so poor in taxable property, and the salaries paid public officials so low, that competent public officials cannot be obtained under any circumstance. This is disgraceful. The citizen in the rural area is entitled to just as much competency and efficiency in the county offices which handle his business as is the citizen of Oklahoma or Tulsa County.

I covered this subject extensively in my message to you in 1953. I earnestly recommend that this message be dusted off and read again. The county setup in Oklahoma today is archaic and obsolete – a hangover from the horse and buggy days – all because of political expediency and the fact that an Oklahoma legislative body has had neither the courage nor the initiative to face it and solve it.

A reformation of this type will do more to make Oklahoma attractive to the industrial world and to new citizenship than any other form or medium of advertising that I can think of. We have seventy-seven systems of county government in the State of Oklahoma today – a maximum of forty would be enough. And the savings thus made would go a long ways toward taking care of many of the school problems and municipal problems that confront us at this time. No amount of pointing with pride and reviewing of legislative records would be comparable to the praise and glory that would fall upon a legislature which had enough intestinal fortitude to re-divide this State and to make it possible, by whatever legal processes are required, to reform the counties on a more equitable basis so that every county under the new setup would have adequate finances to have a respectable county government.

EDUCATION

During this administration the advances in education have been kept abreast of that of other states, and, in many instances, we have gone ahead. There is much yet to be done. I make no specific recommendation, being desirous not to encroach or seem to encroach upon the prerogatives of my successor. I would, however, point out that administrative costs in all branches of education are still excessive. There is much room left for consolidations. I have previously recommended the abolition and consolidation of expendable institutions. I think it is apparent to all of us that we have overdone ourselves in the creation of secondary institutions.

The question of where to abolish and where to consolidate is, of course, a delicate one. The legislator from each county where an institution is located will perhaps agree that these things ought to be done, but he ever insists that it ought to be some other institution – not his – that should be abolished or consolidated. Nevertheless, until such action is taken, maximum efficiency and maximum economy in the science of education will not be reached. The public would approve such a program if given an opportunity.

ELECTION LAWS

The cost of being elected to office in the State of Oklahoma has reached the state where it has become the object of national discussion – I might even say, and still be correct, national scandal.

We are not alone in this predicament, for other states are suffering from the same blight. The man who can assemble the most powerful of well-financed minorities can reach the heights of political preferment without regard to his ability for the job he seeks. We see and feel the results. To paraphrase Mark Twain, we do a lot talking about it but never take any action. In the meantime the public confidence is on the wane and our very institutions are weakened and threatened.

The time has come to revise the election laws of Oklahoma in a realistic fashion. No candidate for the high office of Governor, for the United States Senate, or any State office, for that matter, can make a campaign on the amounts fixed by law. On the other hand, no man should be elected to any office who undertakes to buy that preferment either directly or indirectly. A system of realistic laws, adequate to place the name of the candidate before the

public, but with rigid limitations against excessive spending, coupled with the severest type of penalties for violation, should be enacted, together with such other enactments as are necessary to modernize our election machinery.

REDISTRIBUTION OF LEGISLATIVE REPRESENTATION

It is a matter of common knowledge and the subject of much discussion that the legislative apportionment now existing is inequitable and unfair. It, in fact, represents a dental of true democratic processes, and so long as such inadequate and inequitable apportionment exists, there never can be a relationship between urban and rural areas that make for true friendship and cooperation.

The urban area of this State feels, and justly so, that they have been discriminated against. So long as this feeling exists, and so long as the subject remains neglected by the legislative branch of government, just that long will the public have reason to feel that it is being denied its true legislative representation.

The Constitution upon this subject is mandatory. You cannot ignore it with impunity and at the same time escape the wrath of an indignant citizenship.

LOBBYING

In each of my former messages I touched upon the subject of present day methods of legislative lobbying. Four years of experience as Governor of Oklahoma have convinced me that the language I have used was entirely too mild.

Not only in Oklahoma, but throughout the Nation, the system of lobbying that has been built up by designing groups has reached the stage of pernicious, cancerous growth on the body politic. It is disgraceful, dishonest, and corrupt. In all states the blood-sucking tentacles reach into the very legislative halls, and we find existing the abominable spectacle of legislators accepting pay under the guise of professional service and otherwise for the performance of legislative duties. As usual the public is the goat. How long it can be borne is yet a problem for everyone, but how soon it can be eliminated is your problem. It exists in Oklahoma, and everyone within the sound of my voice well knows it.

Tomorrow is too late to begin to do something about it. I earnestly recommend that you purge yourself of the influence of the professional lobbyist.

TAX EQUALIZATION AND REVENUE AND TAXATION

These subjects are so interlocked that they may well be discussed together. All of them are subjects upon which I have said much and accomplished little. By a trend of circumstances not within the realm of fair anticipation, our revenues, under the present system, have not

depreciated, and by a stroke of luck and good fortune, have increased during the years of this administration.

Now, with more than half of the counties in the State on distress relief and others clamoring to get there, due to the recent drought, there are yet those who sanguine enough to hold out the hope that the gold eggs will continue to fall, and that we can reasonably anticipate as much revenue in the future as we have in the past. This sort of a situation is doubted wherever sound thinking prevails, and instead of having a much revenue as we have had in the past under our system, I warn you now that you had better prepare for a belt-tightening process to bring governmental expenses within the depleted revenues that you are really going to get unless you are willing to do something about it.

What is that something? In countless communications and message I have set out in detail the tremendous amount of personal property that is escaping the tax rolls entirely. This fact is transparent – it cannot be escaped – and yet no Oklahoma legislature to this date has had the fortitude to meet this issue and solve it.

Next, I have pointed out to you the utter futility of being able to get the county assessors of this State to place a fair assessment value on real property, the Constitution and its commands to the contrary notwithstanding. By reason of the homestead exemption, millions of dollars of homestead property are escaping the tax rolls entirely. The reasons for the homestead exemption law were based upon hardship, poverty, and the era of depression and panic that existed at that time. The reasons having been removed, the exemption should have long since been taken off. But no Oklahoma legislature had the fortitude to face the problem and solve it.

We have been able to introduce bills that had for their purpose fixing a standard by which values could be measured for taxation purposes on real estate. The introduction of such legislation and a few perfunctory hearing is a far as we were able to get. Strangely, we found county assessors opposing the act, when, in truth, they should have supported it. It would have relieved them of much political pressure that is constantly exerted upon them to prevent their doing their duty under the law and in accordance therewith. If this legislation had been passed, your financial problems would have ended, no one would have been hurt badly, and everybody would have been contributing a fair share toward the upkeep of the government in all of its branches. The State system of revenue raising has, in my judgment, reached the saturation point, and I can think of no form of excise taxation that has not already preempted and being used to the utmost, either by the Federal or State Government. Where else can you look but an equalized system of ad valorem taxation to bring you the revenues necessary for the operation of your Government?

Because of the ease with which the legislatures have been able to do it, they have constantly been shifting the burden of local Government and the local school system to the State, and expecting the State to carry this burden. As a result, many forms of taxation exist in this State which are obnoxious to outside capital, and which tend to keep investors out of the State of Oklahoma rather than to invite them in. We cannot extend the right-hand of fellowship and friendship to outside capital and invite new citizens, while at the same time we hold a tax bludgeon on our other hand to beat them over the head with as soon as they come into the State.

There are other more potent reasons why this State must move forward and modernize its tax system or else face the greatest financial problems that have ever confronted us. When and if the desegregation of our schools is made a reality, a complete overhauling of the school financing problem is necessary. Millions of dollars worth of property may have to be abandoned in its entirety and millions more be spent for new buildings in new locations. The problem is not one that can be solved by political chicanery, hypocrisy, or expediency. Real statesmanship and a fearless meeting of the issue is the only solution.

Another situation that is growing worse by the year is the method of distributing monies collected by ad valorem taxation between the counties, schools, and cities. Instead of having these three groups fighting and at each others throats, a method should be devised through which a more equitable division can be attained. Much of this could be solved by the consolidation of schools, the reduction of administrative expenses, a reorganization of our counties and a reduction of county government, and by the consolidation of city and county governments wherever the same is feasible and practical. I present this subject matter to you now, not indulging the hope that you will take this advice, but assuring you that I expect to live to see the day when you will be compelled to take it.

My suggestions are being made about the creation of new forms of taxation to be applied to cities and municipalities. This I have opposed for the reason that it is my firm conviction that the burden thereof will fall upon those least able to bear it. Let me point to Oklahoma City as an example. It is surrounded by independent municipal corporations. Much of the wealth of Oklahoma City is concentrated in these outside independent municipal corporations. They have been created deliberately to prevent themselves from being taken into the City of Oklahoma City. They want all of its advantages but are unwilling to share it its financial responsibilities. Why tax the truck driver and the laboring man who lives in Oklahoma City additional sums when the banker, the doctor, the broker, and the so-called "silk stocking" crowd can have all the advantages and yet by reason of his wealth live in an area which is unaffected by the tax. The time has ceased when cities and towns live for themselves alone, if such time ever existed, and the maintenance of street repairs thoroughfares, and highways within the cities in this modern age are as much for the suburbanite and the farmer as they are for the citizens who dwell therein. Beware of taxes, the burden of which falls within the limited areas of city limits if such taxes are for the doing of a thing which is beneficial to a larger group.

In this connection, however, let me impress upon you that the placing of additional property tax upon the tax rolls, the elimination of exemptions, the equalization of values, and any other thing done to modernize our system of finance, will avail nothing if for every dollar raised a new avenue of expenditure is created.

While these words are being written the press is full of headlines indicating the creation of new boards and agencies, but no where do we read of an intended consolidation or abolition of useless boards and agencies now in existence. No where do we hear a voice raised in the interest of economy and thrift. The clamor for more spending in its din drowns out the feeble voices of those who believe that government, like private business, should be operated on an efficient and business-like basis. The plain citizen sits and wonders why it is that after all of the glamorous

promised he has listened to in the campaign, no voice is raised in his behalf when the time comes to split the melon and divide the cash.

For the sake of emphasis, I repeat – you will either modernize the tax structure of this State and find a method of retarding the reckless and extravagant expenditure of money, or else this State will be driven to economic bankruptcy and to a place far below her rightful position in the galaxy of stars that shine in the national makeup. The choice is yours. Each year you delay brings nearer the climax, and, I fear, the calamity.

EAR-MARKING OF REVENUES AND TAX EXEMPTION

These two evils we still have with us. In previous messages I have had much to say concerning each of them. In previous legislative sessions I have been able to accomplish nothing concerning each of them, save to incite public discussion and inquiry, and it affords me some gratification to note that the press is beginning to treat these subjects with that degree of serious contemplation that they deserve. I have pointed out that tax exemption is basically and economically unsound. I have urged that a careful restudy of all exemptions be made with a view to eliminating those which are unjustified and unnecessary. Wherever tax exemption exists the beneficiaries thereof are invariably being granted a form of “special privilege.” Conferring that advantage on one class makes necessary the imposition of an extra burden on some other class.

Under the present homestead exemption law in the State of Oklahoma, many thousands of people able to bear a proportionate share of the tax burden are escaping without the payment of any tax. Until this situation is met face to face and corrected, we will ever be confronted with insecurity and unpredictable revenues. The legislature is going to have to meet this issue, and every time it is evaded or ignored simply extends the time in which Oklahoma will continue to remain in a class considered by investors as unsafe for industrial expansion.

You will be confronted again with the usual new bills providing for additional tax exemptions. It is hoped that you will be able to withstand the pressure of the privilege seeking minority groups.

“Ear-marking” of funds is another irritating evil that we have with us. Sired by a stallion called “selfishness,” and born of a dam called “greed,” this monstrous offspring has continued to grow through the years. Each legislature, apparently distrusting its successor, seeks to perpetuate its will by undertaking to anchor revenues provided to a certain and fixed purpose. This not only defeats and evades the constitution, but tends to destroy and hamper by preferring one department or branch of the Government against another. Not only is this true, but it furnished designed minorities a constant excuse to think up new forms of excise taxes to inflict upon some class or group, and then ear-mark it for some special purpose with utter disregard as to whether it benefits the class from whence it came.

I take pride in the fact that I have never ceased to attempt to drive home the necessity for legislative action in these connections, and I sincerely believe that we are much closer to a realization that we were when I started.

LUMP SUM APPROPRIATIONS

Again I point out to you the evil of the lump sum appropriation. It has been used in the past to prevent the exercise by the Governors of a legitimate and constitutional veto power. On the other hand, it amounts to an unwarranted surrender of legislative authority. Any appropriation worthy of being made ought to be certain and definite in its nature. Any institution or department desiring an appropriation ought to know enough about its wants and needs to be able to itemize with exactitude how much is wanted and what for. And, above all, the taxpayer who supplies the money is entitled to know with exactitude where that money is going to be used. It has nothing to recommend it, and every rule of governmental integrity condemns it. It is a relic of the past, an extravagant practice of the present, and a deterrent to economic government in the future.

Forward thinking legislatures are attempting to do something about it in other states. What about Oklahoma?

SELF-LIQUIDATING BONDS

This subject is worthy of immediate and careful attention. I have noted that one distinguished member of your body has already made a public statement in reference thereto, which I heartily commend, and urge him to pursue the thought expressed.

In the beginning the self-liquidating bond, as you know, was used to build dormitories and the like. The use is rapidly becoming extensive. It has extended to toll roads and recreational facilities. We cannot escape no matter how we may try the crystal truth that this method of financing is a constitutional evasion, and although the courts have held such an evasion to be legal and valid, we must further admit that it violates the spirit of the constitution and deprives the people of their right to speak either in approval or condemnation. If permitted to be exercised promiscuously, the privilege and use of the self-liquidating bond can result in devilish consequences. There are many fields of endeavor now looking toward it as being the means to accomplish what cannot otherwise be done.

I therefore respectfully urge you to give consideration to legislation or constitutional amendments, as the case may be, to safeguard and protect the use of the self-liquidating bond, and to prevent its being used for improper purposes. Above all things, the State and its credit should be protected to the end that it cannot either directly or indirectly pledged to the payment of any bond supposed to be self-liquidating in its very nature. These bonds should be sold on a caveat emptor basis, and every safeguard should be taken to protect the public against any sort of an assumption of any part of this type of obligation.

I specifically recommend the repeal of all acts presently existing authorizing the issuance of self-liquidating bond or trust certificates, and the enactment of a comprehensive, severely limited code in this connection.

OKLAHOMA CRIME STUDY COMMISSION

The Oklahoma Crime Study Commission, which I established last May, is mobilizing our social and scientific resources to help combat crime throughout the State. Working without fanfare, the Commission, which is made up of twenty outstanding men and women, has divided its tremendous task into five strategic areas of study and action.

One of the most important of these areas is the juvenile program, which has great promise of helping to correct a very critical situation affecting all Oklahomans.

Scientists, educators, physicians, religious leaders, many civic and parent groups, experts and laymen, public and private agencies are cooperating, planning and working together through the facility of the Crime Study Commission. This is a unique, pioneering effort to improve our State and the welfare of all our people.

This Commission provides an answer to the citizen's question. "Even though I know something must be done, what can I do?" Today he can join together with professional and scientifically trained experts to do an active job for the improvement of our community.

The Commission has proved itself the friend of the law enforcement officer. Its efforts in behalf of improved law enforcement, more effective rehabilitation work, and a statewide public educational program have been rewarding. Recommendations of the Commission are the product of all professional and civic, public and private associations and groups. Such recommendations are by-products of the continuing coordinating function the Commission performs. That function is, I believe, first in importance.

Our churches, schools, yes, even our police, must consider crime and delinquency prevention secondary to their positive functions. To overcome the growing social disease of crime, we must maintain an active, coordinated delinquency prevention program. This the Crime Study Commission is doing.

There is no single answer to the problem, success depends upon community awareness of the problem and cooperation in its cure. Time prevents me from referring to the numerous activities of the Commission, but I would like to mention the Short Course on Juvenile Conditions the Commission sponsored. Sixty communities, judges, educators, county attorneys, police officials, religious leaders, and a broad representation of civic leaders met together and have begun a long-range program. This is an inspiring effort, the people of Oklahoma are supporting it and want to continue it. In many instances assignments which I have given the members of the Commission have meant real hardship and a neglect of their personal business and professional duties. To help finance the Commission's initial operations, I allocated a small amount of money from my contingency fund. That money would not have been enough for the Commission to conduct its business had not private business and individuals contributed

materials and services. Now that the Commission has proved its value, it will undoubtedly bring money for research and other purposes into the State. The Oklahoma Crime Study Commission is a proud example of the way democratic people join together to improve their well-being. I ask your consideration of this Commission, and if you feel as I do, that it be given legislative sanction and help.

THE OKLAHOMA LONG RANGE WATER PROBLEM

On May 14, 1954, I appointed a group of outstanding Oklahoma Engineers to make preliminary studies for the development of a Long Range Water Program to serve all of the towns, cities, and communities of the State with an adequate, assured, year-round water supply for their municipal, industrial and agricultural needs. On December 3, 1954, the Committee made its report and copies are being furnished to all members of the Legislature and interested civic groups. I commend that report to your serious study. It can be the most important milestone in Oklahoma History.

The Committee made a complete and thorough survey of the water resources of the entire State, and reported that Oklahoma has enough water to meet every future need, even in periods of drought. The only problem left is development of a strong system to hold the water until it is needed and a distribution system to take the water where it is needed. Oklahoma can do that, Oklahoma will do that, and when it does, we will have here in our beloved land the garden spot of America.

I extend my sincerest thanks to each of the individual engineers who made the Long Range Water Report. They deserve the highest commendation and gratitude of the people of Oklahoma. They worked long and hard, at considerable personal expense to themselves, activated by a desire to be of service to their State and a strong belief in the future of their State. They have here delivered to you a document which I predict will be the starting point of a new, brighter, and assured future for all of Oklahoma.

CONCLUSION

There are many other subjects upon which I am tempted to speak solely as a matter of public record. I realize, however, the general futility of a Governor's farewell message to the legislature. The old administration is passing, the new administration advancing – all eyes are turned toward the successor. I would not change the situation to the detriment of any incoming governor, but I would advise you that as a governor services his competence to speak should increase, and usually a farewell message is intended to give you the benefit of experience rather than to burden you with promised and prophecy.

The language I have used in this message has been somewhat pointed. I want you to know in this regard that I have not meant any personal disrespect for you, individually or collectively. I have attempted to point out with clarity some of the things which I believe sincerely are legislative failures and encroachments. If, in this, I can succeed only to the extend

of impelling some of you to stop and think, then it is my considered judgment I shall have made the pathway of my successor a little easier for him to tread.

In leaving the office of Chief Executive of Oklahoma, both Mrs. Murray and myself are filled with gratitude and affection toward those who have given us their friendship and encouragement throughout the administration. Oklahoma has been good to use and to other Murrays before us. We feel ourselves impressed with the deep obligation to Oklahoma and its people, and we hope most fervently that we have been able through our efforts to accomplish some thing beneficial. In the beginning we promised that we approached the office at "Plain Folks." We have striven to remain so, and we now join the ranks of "Plain Folks" from whence we came, to again shoulder the privileges and responsibilities of citizenship. We have no intention of retiring from such privileges and responsibilities, and will ever strive to make Oklahoma a finer and a greater State.

To my successor I extend all good wishes for a wish and successful administration as Governor. To be successful he deserves your support. I hope it will be given without stint or restraint in all of his efforts for the betterment and advancement of the State and its people.

And now, invoking upon you the blessing and guidance of He who can remain with you and yet go with us, for myself and Mrs. Murray we bid you goodbye.

JOHNSTON MURRAY
Governor of Oklahoma