

**State of the State Address
Governor Martin Trapp
January 6, 1925**

TO THE HONORABLE, THE SENATE, AND MEMBERS OF THE
HOUSE OF REPRESENTATIVES, TENTH LEGISLATURE.

MR. PRESIDENT,

MR. SPEAKER,

LADIES AND GENTLEMEN:

In pursuance of the requirements of the Constitution of the State of Oklahoma, I have honor to submit herewith my biennial message covering conditions in the State, with special reference to the subject of appropriations and certain of the problems of our several governmental agencies.

The events that transpired during the historic days of the Ninth Legislature are too fresh in our minds to require reiteration here, but it will be remembered that on November 19th, 1923, the powers and duties of the chief executive devolved upon the present incumbent.

We found ourselves confronted with a situation without parallel in the history of this State. Due in part, no doubt, to the abnormal conditions obtaining throughout the nation as a result of the World War, and due also to that hectic period that preceded the final action taken by the Legislature, many of our institutions and departments were in a semi-chaotic state of affairs. We found the government top-heavy with useless employees, many of whom were unauthorized by law. We found excessive appropriations upon our statute books which would inevitably lead to an alarming deficit for the biennium. Waste was rampant and inefficiency and extravagance were in full cry.

As an initial step toward the retrenchment demanded by this unusual condition the House and Senate appointed a joint survey committee to recommend to the Legislature a program of immediate curtailment. The work of the Second Extraordinary Session of the Ninth Legislature was somewhat hampered by other proceedings, yet we were enabled to repeal \$4,956,321.37 in appropriations which we felt were not actually needed.

You will find from this report that many of our departments have been thoroughly reorganized; that new and competent institutional heads have been found where they have been needed and that increased efficiency has been obtained in virtually all of our institutions and departments that had been affected by the conditions above described. In securing these reforms in our various public agencies, we have been successful in bringing into the public service from private life many men and women of the highest capabilities obtainable, within our State, and the present administration has had every possible co-operation from the citizenship at large and from the various organizations and agencies interesting themselves in public affairs.

In this connection I might say that the people of Oklahoma are deeply indebted to the State Press not only for the encouraging and wholesome support which it has accorded their public servants but likewise for the intelligent discussions we have had in newspaper columns, having to do with the vital problems of government itself. An enlightened citizenship is the bulwark of every self-governing people, and without the aid of an intelligent and patriotic press this would be impossible to obtain. Each citizen should be a voter and each voter should be a student of public affairs. To this end the press is rendering a meritorious service to our state and to our people.

It would not be possible without taxing your patience to direct your attention to the many subjects that doubtless should and will receive your consideration, so it will be the purpose of this brief message to endeavor to direct your attention, in the main, to some of our most pressing problems, and certain of their more important phases leaving to subsequent messages such direct and specific recommendations as the conditions may seem to demand.

May I not at this time, however, express what I believe to be the prevailing psychology of the public mind, namely, that our citizenship is demanding a legislative vacation; that few new laws are needed; that our present statutes should be simplified and co-ordinated; that our existing governmental agencies are

taxing to the limit our available revenues, and that the crying need of the present situation would seem to be a short and expeditious session of this Legislature, featured by the enactment of a program of general curtailment and retrenchment.

At each successive session of the Legislature we have created new institutions, new departments and new agencies, boards and commissions. Even a cursory review of our existing agencies will show that the expansion of our activities too frequently has been made without due regard to that co-ordination and efficiency for an economic and well ordered administration. Encouraged by the vast possibilities of our natural resources, we have entered upon new ventures and accepted additional responsibilities from year to year with an eagerness and enthusiasm born of inexperience and a super-sense of confidence in our potentialities until we find in the present situation a demand, which we cannot deny, for immediate and general retrenchment and reorganization.

In order to better illustrate how we have enlarged the scope of our activities from each biennial period to the next, I am submitting herewith a statement of the appropriations made by each Legislature since statehood, as prepared by the State Examiner and Inspector:

Legislature	Total	General Rev. Fund	S.E.I. & N.C. Funds	P.B. Fund	Cash and Misc. Funds
First.....	\$3,847,902.76	\$1,841,615.76	\$104,310.00	\$359,500.00	\$1,542,477.26
Second.....	7,460,576.60	5,498,444.89	62,881.83	1,698,200.00	201,049.88
Third.....	7,960,273.04	5,921,632.71	208,614.00	1,645,276.33	84,750.00
Fourth.....	8,487,382.45	6,677,149.82	436,050.00	736,408.70	638,774.93
Fifth.....	10,530,246.34	6,145,715.34	1,020,174.32	-----	1,364,356.68
Sixth.....	15,630,099.48	13,531,397.14	819,895.53	851,375.48	427,431.33
Seventh.....	18,913,121.39	16,895,635.57	1,124,950.09	430,504.25	462,031.48
Eight.....	20,416,100.23	18,567,113.25	1,018,834.28	590,723.43	339,429.27
Ninth *Net.....	29,505,948.14	25,785,275.52	773,069.71	436,898.57	2,510,704.34

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With reference to the above table, the three sessions of the Ninth Legislature appropriated a total of \$35,712,269.51. This total, less \$1,250,000.00, appropriated for a Warehouse Fund and held unconstitutional, less amounts repealed at the Second Extraordinary Session, totaling \$4,956,321.37, gives us a net appropriation of \$29,505,948.14.

As our State has grown, the demands of government have grown heavier. We have seen our educational system develop and expand until the opportunities for education is given to every child; salaries for teachers have increased; supervision has been provided until we have supervision provided by the school district, the town, the city, the county and the state, with an agitation well advanced to secure a general Federal supervision. We have seen in recent years our State University take rank with the higher institutions of learning in our country; our agricultural and mechanical college enlarged and improved until it is one of the greatest institutions of its kind; our six normal schools grow into teachers colleges; our great college for women take its proper place; and in addition, the State is supporting a university preparatory school, a school of mines, a secondary college, a military academy, four secondary agricultural schools, a university for our negro boys and girls, a school for the blind, a school for the deaf, and most of these institutions likewise provide extension courses of study for the benefit of those who cannot be in actual attendance at the institutions themselves.

Our charitable and correctional institutions have undergone constant enlargement and we have steadily added new ones to the list. We have established four institutions for the treatment of those afflicted with tuberculosis. We are maintaining two penal institutions and three institutions of a reformatory character. We have three State orphans' homes; two soldiers' hospitals, with treatment provided for soldiers at two additional institutions. We have three asylums for the insane, and one institution for the care and treatment of the feeble minded, and most recently we have acquired a new institution for the purported purpose of curing drug and liquor habitués.

We have extended the activities and broadened the scope of our Health Department in an effort to protect our citizens from the ravages of disease, and to insure them against epidemics, and still our appropriations for this important department are held to be entirely too meagre. We have extended supervision and regulation over many of the business institutions and enterprises of the State, and now maintain for such purposes a corporation commission, an industrial commission, a labor department, a mine inspection department, a blue sky commission, a banking department, an insurance department, with innumerable other boards and commissions for the supervision or regulation of various and sundry other activities.

In the light of our past experience, I would recommend that every innovation, suggested to this and future Legislatures be investigated thoroughly to determine whether or not it is a proper function of government. Proposals are made at each session that we engage in new and various undertakings, and the argument is advanced that the cost of each will be so small as to amount to little or nothing when the great revenues of the State are considered. Yet, once a proposition is accepted and organized under authority of law we find that its cost of maintenance grows each year by leaps and bounds. In 1917 the State Board of Vocational Education was started with an appropriation of \$35,416.00, and today is costing us \$55,900.00, for each biennium, with a request for even larger appropriations. The Commissioner for the Adult Blind started in 1919 with an appropriation of \$4,000.00 and it is now \$8,500.00. In 1915-16 we appropriated \$21,200.00 for Confederate Pensions, and in 1923-24, \$781,775.00 was appropriated and expended and this amount was insufficient to pay the claims against this fund. The State Market Commission was organized for the fiscal year 1917-18 and given an appropriation of \$10,000.00. That amount was doubled for the following biennium and for the present fiscal year \$50,000.00 was appropriated for this commission. Ten years ago the Corporation Commission cost us \$150,826.00. The appropriation for the last biennium was \$232,534.78. In 1914, the Health Department received an appropriation of \$32,700.00; the amount appropriated for the preceding biennium was \$183,670.52.

Are all of these governmental activities justified? Are the expenditures made for these purposes worthwhile? These are questions this Legislature will consider. They are the products of our Constitutional Convention and of former Legislatures, and evidently were created in response to the public demand. They are the outgrowth of a social and political program that has been increasing constantly in volume since our first year as a State.

To permit of a better understanding of the relative cost of our several state functions, a condensed statement of governmental expenditures for the fiscal year ending June 30, 1924, prepared by the State Examiner and Inspector, is submitted herewith:

Class	Expense
Executive	\$ 89,792.26
Administrative	3,365,588.28
Regulative.....	518,640.50
Protection of Life and Property	468,743.71

Legislative	324,671.59
Judicial.....	529,713.09
Educational Administration	178,479.72
Education – State Schools.....	1,834,216.12
Normal Education	642,150.58
Agricultural Administration.....	281,441.13
Agricultural Education.....	1,086,712.79
Charitable	1,139,065.78
Curative	1,278,129.60
Penal	1,186,939.01
Constructive.....	421,433.79
Total.....	\$ 13,345,717.95

A study of this table in the State Examiner and Inspector’s report will show that we paid \$1,057,934.95 for buildings; \$234,578.48 for lands and improvements; \$478,089.40 for furniture and fixtures, and \$47,493.08 for livestock.

It is certain that the wide range of governmental activities has assumed an aspect of paternalism. It is not only true of the several states, but since the early days of the World War the Federal Government has been engaged in the regulation of what we once regarded as private business. Some refer to these measures of regulation and supervision as paternalistic, while others regard them as progressive steps by a forward looking citizenship. Certain it is that we want to remain a forward looking people, but I am of the opinion that it would be to the best interests of our people if both the Federal and State governments abandoned the creation of additional governmental agencies for a few years that we might devote our best thought to the coordination and correlation of our efforts, eliminating overlapping of supervision in the service given the people. In recent years the growth and expansion of our activities has been such that we have not paused to take stock of the problem as a whole. Too often we have yielded to the demands and importunities of militant blocs and self-interested groups without sufficient regard to our people as a whole, or the welfare of our State in general.

OUR FISCAL PROBLEM.

The demands for the coming biennial period against which this Legislature will be expected to provide, will be far in excess of our taxable resources. The budget requests from the several departments and institutions as submitted to the Budget Officer for the preparation of the report to be submitted to this Legislature amounts to more than \$36,000,000.00. To bring the budget total within our total revenues every effort must be exerted; each and every item requested must be subjected to the most searching scrutiny, for it is apparent that it will be difficult to keep within our limit which we should, and must do, for we must learn to pay our way as we go and not incur further obligations in order to pay for the routine cost in the maintenance and operation of the government.

ESTIMATE OF STATE EXAMINER AND INSPECTOR.

The State Examiner and Inspector, in his annual report to the Governor, has compiled some very valuable statistics that should be called to the attention of each and every member of your respective bodies. For the purpose of convenience, however, the State Examiner and Inspector has submitted a brief statement of the State’s revenues for the coming biennium and for your information I shall quote verbatim, herewith, his statement:

“In preparing this estimate I will deal with only the ordinary revenues of the State derived from ad valorem taxation and amounts received from sources other than ad valorem taxation as receipts from the State’s lands which go to the credit of State educational institutions and the public building fund, together from receipts from the Game Warden’s department, Bar Commission and like activities, can be readily estimated that approximately the same receipts will be had the coming biennium as in the past.

“As you know, the State’s approximate valuation as equalized by the State Board of Equalization is \$1,700,000.00. I believe you will agree with me that under existing laws and procedure, that valuation is as large as can be made, therefore, by going to the limit each year for a levy, \$5,000,000.00 could be raised through ad valorem taxation. Any estimate above \$7,000,000.00 as receipts from sources other than ad valorem taxes would be folly. Our statutes require twenty per cent to be added to the legislative appropriations for delinquent taxes. Therefore, summarizing \$10,000,000.00 payable out of general revenue for each of the ensuing fiscal years would probably have the effect of creating a deficit in the State’s revenues.

“As noted above, the receipts for each of the fiscal years from ad valorem taxation and receipts from sources other than ad valorem taxes would amount to \$12,000,000.00. Should the legislature make an appropriation of \$10,000,000.00 for each fiscal year payable out of general revenue and then the State Board of Equalization add twenty per cent for delinquent taxes, the revenues of the State would be exhausted in my judgment.

“I trust the legislature will keep the probable revenues of the State in mind when making their appropriations for the next biennium.

“The Tenth Legislature will be required to direct a deficiency levy to be made to provide for the deficit incurred for the fiscal year ending June 30th, 1924. The amount of the deficit should be ascertained by the time the Legislature meets.”

A JOINT COMMITTEE ON APPROPRIATIONS.

In order to secure a better harmony of action between the two Houses, that we may save time and obtain as high a degree of efficiency as possible, I most respectfully and urgently request that your honorable bodies appoint a Joint Committee on Appropriations and that such committee hold joint meetings as the budget law requires. That will enable the Budget Officer to be in attendance at all meetings and the committee will have the advantage of the knowledge he has gained of the various institutions and departments in his work of the past six months.

The two Houses can then work harmoniously toward a fixed total appropriation, bearing in mind the resources of the State as compared with the actual demands we will be required to meet. This work can be completed in this manner in half the time it has previously required, and we can work much more intelligently than has heretofore been possible.

The budget officer and the members of the State Board of Public Affairs, and the heads and executive officers of the several departments and institutions will be placed at the disposal of this Joint Committee throughout its sessions upon the institutional and departmental bills.

DEFICIENCY CERTIFICATES.

In the matter of deficiency certificates, I have issued such certificates only in instances of extreme necessity and when the need for the same was unquestioned.

1923-24.

The Ninth Legislature, during its Second Special Session, authorized a deficiency appropriation for the West Oklahoma Orphans Home at Helena, as an Amendment to one of the general appropriation bills, but this amendment was lost in the Enrolling Department and the institution was left without funds. Deficiency Certificate No. 44, 1923-24, was issued May 23, 1924, in the sum of \$19,000.00 upon the receipt of the following letter from the Chairman of the State Board of Public Affairs:

“In connection with the proposed issue of Deficiency Certificate for the West Oklahoma Home, Helena, Oklahoma, you are respectfully advised that after careful consideration, it is recommended that the minimum amount necessary is \$19,000.00, apportioned as follows:

“Unpaid claims for fiscal year 1922-23	\$	1,277.86
Unpaid claims for fiscal year 1923-24.....		7,264.80
Amount due Helena School District for tuition of the children at public schools.....		1,250.00
Estimated unpaid accounts for which claims have not been filed.....		1,000.00
Estimated requirements for the fiscal year 1923-24 (April 1 to June 30).....		8,207.34
TOTAL.....	\$	19,000.00”

At this same Session, the maintenance account for the Colored Tubercular Sanatorium at Boley was reduced \$5,000.00, which eliminated all funds available for this purpose. An amendment also repealed the appropriation for salaries. This action was not contemplated in either instance, but was brought about through some discrepancy in the figures placed before the joint survey committee. I, therefore, issued Deficiency Certificate No. 45, 1923-24, in the amount of \$4,112.00 on May 24, 1924, upon the receipt of the following communication from the State Auditor:

“At the request of the Superintendent of the Colored Tubercular Sanitorium at Boley, I am submitting below statement of the appropriation accounts for that institution as of May 1, 1924. The appropriation for salaries is exhausted.

“The maintenance account which was reduced by the Extraordinary Session of the Legislature \$5,000.00 has an unexpended balance of \$965.77, with claims outstanding against this account. The appropriation of \$5,000.00 for buildings, repairs, livestock and poultry is untouched.

“It is represented that unless some provision is made for salaries and maintenance for the remainder of the year, it will be necessary to close the institution.”

1924-25.

Under date of July 2, 1924, the Honorable Tom Anglin, Acting-Governor, issued Deficiency Certificates No. 1, 1924-25, in the amount of \$4,539.00 for the reasons set forth in the following communication from the President of the Southeastern State Teachers College, at Durant, Oklahoma:

“Due to the unusually large enrollment of Southeastern State Teachers’ College for the summer session, it has become impossible to maintain the school adequately on the appropriation made by the last session of the legislature.

“The total appropriation for the summer session, as made by the legislature is, for June, 1924, \$5,500.00; for July, 1924, \$5,500.00, a total of \$11,000.00. Our attendance at present is 2,750. We have in our regular faculty thirty-six teachers. To accommodate the summer enrollment, it is always necessary to employ additional instructors. This summer, due to our unusual enrollment, we have been forced to employ forty-eight additional summer school teachers, at a total expense of salaries of \$15,539.00.

“This difference in the cost of the summer school and the amount available is \$4,539.00. I give below a statement of the comparative growth of the summer school, together with the appropriation for the past three years:
Summer term, 1922, expenditure \$10,490.00; enrollment 1,939.
Summer term, 1923, expenditure \$13,930.00; enrollment 2,486.
Summer term, 1924, available funds \$11,000.00; enrollment 2,750.

“During each of these summer terms we have been forced to use from \$1,000.00 to \$2,000.00 from the regular salary fund to assist in paying the extra teachers, but on account of the large enrollment during the regular year just passed, there were no funds available for this purpose.

“The growth in the regular term has been in proportion to that of the summer term. If in your judgment the foregoing statement of facts justifies a deficiency amounting to \$4,539.00 for the purpose of completing the summer term. I most respectfully ask that a deficiency certificate for this amount be issued in order that we may have funds with which to pay the salaries of our teachers.”

Additional certificates issued for the present fiscal year were as follows:

Certificate No. 2, 1924-25, Adjutant General’s Department, was issued September 19, 1924, in the amount of \$1,000.00 to pay expenses incurred in sending troops to Latimer County in connection with the disturbances at the Cambria mine.

Certificate No. 3, 1924-25, Adjutant General’s Department, was issued October 31, 1924, in the amount of \$1,000.00 to pay railroad expenses incurred by sending troops to the coal mining district of Hartshorne.

Certificate No. 4, 1924-25, Adjutant General’s Department, was issued October 22, 1924, in the amount of \$1,000.00 to pay additional expenses incurred in the Hartshorne District.

Certificate No. 5, 1924-25, Adjutant General’s Department, was issued in the sum of \$1,000.00 on October 22, 1924, for further expenses incurred in the Hartshorne District.

Certificate No. 6, 1924-25, Adjutant General’s Department, was issued November 10, 1924, in the amount of \$1,000.00 to pay claims for service and other necessary expenses in connection with the calling out of troops for duty at Boley, claims on file and unpaid for the Hartshorne coal mining district and for Guards of Honor at the State Capitol for the late William Tilghman.

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Certificate No. 7, 1924-25, Adjutant General’s Department, was issued November 26, 1924, in the sum of \$2,000.00 to pay outstanding bills incurred by troops on duty in the Wilburton Hartshorne District.

A resume of the activities of the troops on special duty will be found in that part of this message dealing with general law enforcement problems, and for further information in this regard, you are invited to inspect the records which will be placed at your disposal in the Adjutant General’s Department.

(1) INSTITUTIONAL PROBLEMS COORDINATION AND CONSOLIDATION.

Under the supervision of the State Board of Public Affairs, as de facto board of control, are twelve state institutions, in addition to the Capitol Building and grounds. Those are:

Central Oklahoma State Hospital, Norman; Western Oklahoma Hospital, Supply; Eastern Oklahoma Hospital, Vinita; Whitaker State Home, Pryor; State Industrial School for Girls, Tecumseh; West Oklahoma Home, Helena, State Training School, Pauls Valley; State Training School for Negro Boys, McAlester; D. B. & O. Institute and Training School for Negro Girls, Taft; Oklahoma Institute for Feeble Minded, Enid; Oklahoma State Penitentiary, McAlester; State Prison Farm, Aylesworth; and Oklahoma State Reformatory, Granite, Oklahoma.

Each of these institutions, with a few exceptions, is efficiently managed by a capable executive. The general condition of the buildings and equipment indicate that they have been properly cared for. In recent months proper equipment has been installed at the larger institutions, enabling the use of cheap coal where natural gas was not obtainable at advantageous prices, which has resulted in a savings aggregating a great many thousands of dollars. A great saving of fuel also has resulted through the use of the exhaust steam from the power plants for heating and cooking purposes rather than using live steam or individual heating units.

That part of the State’s business which is under the supervision or control of the present Board of Affairs is in highly capable hands. Business is dispatched with expedition and efficiency, and a general satisfaction has been the result. Wherever it has been the result. Wherever it has been possible to do so without legislative authority, the

Board has acted to co-ordinate the various agencies under its control, and in this connection, it has re-districted the State to more properly apportion commitments of insane to the three hospitals maintained for that purpose, thus reducing to some extent the acute housing problem at the Central Oklahoma Hospital, at Norman.

CRIMINAL INSANE.

There is no adequate provision at present in any state institution in Oklahoma to properly care for the criminally insane. The facilities at the hospitals are such that the care of this class of patients is a serious menace and a plea of insanity as a defense for crime is, no doubt, encouraged under the present law, which tends to make the condition more aggravating. Proper legislation and provision for the care of this class of cases at our penal institutions is urgent.

CONSOLIDATION OF THE TO ORPHANS' HOMES.

The State now maintains two orphans homes for white children, one at Helena and one at Pryor. Upon inspection, the Board reports the buildings and equipment at the West Oklahoma Home at Helena as extremely dilapidated; that these buildings and equipment are not suitable for an orphanage, and that more land is needed if this institution is to operate upon an efficient basis. The Whitaker State Orphans Home at Pryor is fairly well supplied with buildings and equipment. Many minor repairs are needed and a few slight re-arrangements are recommended by the Board. The acquisition of eighty (80) acres of additional land, which is so located as to be almost a necessity, is recommended for the Pryor Orphanage.

Expenditures at the Helena institutions amounted to \$81,118.83 for the fiscal year ending June 30th, 1924, and during this time this institution maintained an average of ninety-six inmates per month for a per capita cost per year of \$845.00. The expenditures for the Pryor institution amounted to \$104,197.45 for this same period and an average number of 250 inmates was maintained at a per capita cost per year of \$412.00. The budget requests from Helena for the fiscal year ending June 30th, 1926 total \$115,350.00.

In view of these facts, I urgently recommend that these two institutions be consolidated at Pryor and that necessary arrangements be made for the disposal of the Farm, and the buildings and equipment at Helena. We can provide such additional facilities as may be needed at Helena for the care of this additional number of children and yet effect a savings under this arrangement of between \$70,000.00 and \$100,000.00 for the next fiscal year. This should likewise result in an increased efficiency in administration and in better service to the children and to the public.

It should not be forgotten that the state cares for only a small proportion of the orphans in Oklahoma. Our various churches, benevolent, patriotic and religious orders maintain orphanages of their own throughout the State which function in a highly satisfactory manner and those patriotic citizens interesting themselves in this beneficent work are entitled to the appreciation and support of every person in this land who believes in the perpetration of the American homes and our American institutions.

The teaching of manual training and vocational work in the state orphanages and training school should be inaugurated at once. This is a very important factor in fitting the inmates of these institutions for useful lives after they are discharged from the institutions and if this is done, it will be necessary to install in each institution sufficient equipment to properly instruct these children. Under present conditions, this would not seem to be feasible so long as we operate the two institutions for the same purpose. It is the policy to place as many of these children as possible in private homes, but we know from experience that the less attractive children committed to these institutions often remain there over a period of years, and our duty to properly provide for them, that they may become useful citizens, is unquestionable.

It is also imperative that enough matrons be provided to afford constant night supervision of all of these children. Without going into sordid and revolting details we find, upon investigation, that this is highly necessary. In institutions where this is not done we find the inmates become, to a certain extent, "feeders" for our feeble-minded institutions and insane asylums.

STATE TRAINING SCHOOL FOR WHITE BOYS.

The State Training School for White Boys at Pauls Valley is handicapped through a lack of adequate housing facilities and equipment. A permanent water supply is lacking and it would seem necessary that a deep well be provided for this institution in the immediate future. Your attention is directed to the report of the Board of Affairs covering Pauls Valley as the members of this Board are in a position to furnish your appropriate committees many details in connection with this institution.

We must not lose sight of the fact that it is essential to maintain in a high degree of efficiency a suitable training school for delinquent and incorrigible boys. These boys should be educated to become useful citizens of our State and to this end a well equipped vocational school, with competent instructors should be provided. I feel that this is a matter that should be carefully investigated at this session.

STATE TRAINING FOR NEGRO BOYS.

It is imperative that the State Training School for Negro Boys at McAlester, which is conducted in a building originally constructed as a "trusty" building for convicts of the Penitentiary and located on the prison

grounds within a stone's throw of the Penitentiary walls, be removed to a more suitable location for an institution of this character. The environment of armed guards and forcible restraining as necessarily practiced at the Penitentiary and observed by these young boys is decidedly an improper atmosphere in which to expect to get the best results. The present building is badly needed by the prison management and unless it can be returned to its original jurisdiction it will be necessary to provide increased facilities at the Penitentiary.

INSTITUTION FOR THE FEEBLE MINDED AT ENID.

It is suggested that the present law, which provides that the several counties of the State shall furnish clothing for inmates in the Institution for the Feeble-Minded, that may be committed from the respective counties, should be amended to provide that a fixed charge per month should be paid by such counties for each person committed to said institution. Under the present plan, there is a lack of uniformity in the clothing furnished, it is often of an inferior quality, and usually does not fit the patient, or patients, for which it is intended. Then, too several counties have authorized the purchase of such clothing by the Superintendent, and the dealers have been unable to collect such bills, resulting in a constant harassment of the management of the institution. The number of patients committed to this institution has increased more than thirty-three and one-third per cent in the past two years, and the present over crowded condition makes it essential that additional housing facilities be provided. If this can be done with our available funds, it is suggested that a separate building be constructed for the care and treatment of epileptics in order that this class of patients can be segregated. This institution is filled to capacity and has seventy-eight complete applications, largely from county courts, and about fifty additional requests for admission now on file.

HOSPITALS FOR THE INSANE.

Under Sections 8294-8295, Compiled Oklahoma Statutes, 1921, persons who are confined in the hospitals for insane, if they are able, are required to pay for their support an amount not to exceed \$200.00 each, per annum. If the inmate is not able to pay this amount, then relatives responsible for their care are required to pay it. If inmates have no such relatives, then the county from which they are committed are required to pay support costs. Most of the counties have been prompt in paying these charges, but some of them have not paid anything since statehood and, as a consequence, at this time, owe large sums. There is, at this time due the hospitals, respectively, the following amounts: Central Hospital, \$400,416.28; Eastern Hospital, \$259,639.82; and Western Hospital, \$76,518.47. Appropriate legislative authority in order to secure these accounts is urgently recommended.

STATE PENITENTIARY AT McALESTER.

Under the administration of the present Board of Affairs and Warden, plans are being worked out to place this institution upon a self-supporting basis. When the present Warden was appointed, he found that all but four of the prison industries were operating at a loss, and that the profits from the others were negligible.

When the new administration had been in effect eight months, all of the industries were paying a profit with the exception of the tobacco plant and the shirt factory. The contract with the Reliance Shirt Company was cancelled. Litigation in connection with the authority of the Board of Affairs to enter into sales contracts for prison-made articles delayed the establishment of new industries for several months, but a recent favorable decision by the State Supreme Court apparently has cleared the way, and now we anticipate the establishment of several new industries within a brief period of time.

The following table submitted herewith will show a comparison between the two administrations:

SUMMARY.

	July 1, 1923 to February 29, 1924.		Prison Labor	March 1 to October 31, 1924.		Prison Labor
	Profit	Loss		Profit	Loss	
Blacksmith Shop _____		387.32	2,454.30	1,323.01		2,079.34
Brick Plant _____		5,181.75	10,706.64	534.46		10,999.30
Broom Factory _____		801.88	830.86	234.51		537.66
Garage _____		345.80	411.80	140.10		564.48
Garment Factory _____		4,321.02	6,585.96	4,381.84		8,814.14
Mattress Factory _____		580.39	801.40	976.32		976.32
Machine Shop _____	228.49		194.00	527.44		190.08
Plumbing Shop _____		12.04	708.84	534.09		695.12
Planing Mill _____		2,574.19	2,940.06	1,253.52		3,700.90
Printing Plant _____	1,184.70		1,137.02	6,576.21		1,180.86
Shoe Shop _____		658.85	3,423.14	1,004.55		4,087.64
Shirt Factory _____		38,004.46	89,200.45		30,840.58	81,647.43
Tin Shop _____		29.46	839.84	683.33		790.08
Twine Plant _____		3,126.88	10,387.23	11,810.33		17,599.46
Tobacco Factory _____	733.28		1,088.64		6.43	941.84
Tag Factory _____	29,569.60		3,106.99	31,389.50		3,590.36
TOTAL _____	<u>31,716.07</u>	<u>56,024.04</u>	-----	<u>61,960.99</u>	<u>30,847.01</u>	-----
		31,716.07	-----	30,847.01		-----
NET LOSS _____		<u>24,307.97</u>	NET PROFIT	<u>31,113.98</u>		
Prison Labor _____		134,817.17		138,395.01	INCREASE	
GRANT TOTAL EARN _____		110,501.20		169,508.99	\$58,998.79	

(NOTE: - Owing to the cancellation of the contract with the Reliance Shirt Company, the production from this factory was reduced in September and discontinued in October, thus reducing our revenue from this industry by \$20,000.00).

TENTH OKLAHOMA LEGISLATURE

The following statement from the Warden is submitted:

“The appropriation required for the maintenance of the penitentiary as agreed upon between the Budget Officer and myself for the fiscal year, July 1, 1925 to July 1, 1926, is \$250,000.00. In addition to this, the Legislature will be requested to transfer \$150,000.00 from the accumulated earnings of the penitentiary for the use of maintenance for the same period. This makes a total of \$400,000.00 which is required for the maintenance of the penitentiary.

“The appropriation of \$250,000.00 is to reimburse the penitentiary for materials and labor expended in the construction of the water supply system for the City of McAlester. The City of McAlester owes the penitentiary for the above mentioned services, the sum of \$250,000.00, which is to be paid in water to be furnished the penitentiary. Incidentally, this credit will absorb all the water demands of the penitentiary for approximately twenty years. It appears, therefore, that while an appropriation is requested, it amounts in fact to a payment for services rendered by the penitentiary in providing water for the future and is properly classified as earnings of the institution. The \$150,000.00, which is to be transferred: \$50,000.00 from the Penitentiary Revolving Funds, and \$100,000.00 from the Twine Factory Revolving Funds, represents net earnings of the institution.

“The requirements as above stated include an increase in salaries as shown by the attached memorandum that provides a salary of \$100.00 per month for guards instead of the present earnings of \$80.00 monthly. It provides also for sufficient guards to conform to the law limiting employment to eight hours per day. Increase in salaries will also be asked for the Warden and Assistants in order to provide a remuneration reasonably commensurate with the duties and responsibilities involved. The total increase amounts to very little and I feel that this request is justified by the progress already made towards making the penitentiary self-supporting.

“For the purpose of comparison, you are advised that the expenditures and maintenance for the fiscal year ending June 30, 1924, amounted to \$469,839.23. The appropriations for the same period was \$391,000.00. The appropriation for the present fiscal year is for the same amount and it is my purpose to comply with the Governor General’s letter of June 4, by keeping within the appropriations for the year. It has become necessary, as you know, to institute at the penitentiary, a twelve hour work day for employees and to otherwise observe the strictest economy in the use of funds in order to accomplish the objective desired by the Governor.

“I am glad to state that we have kept within the appropriations. In this connection, you are advised that the daily average population for the period of March 1, to November 1, 1924, was 1,678 as compared with 1,520 for the year previous.”

One of the crying needs of this institution is the establishment within the penitentiary walls of a tubercular ward for the care and treatment of tubercular inmates. This matter should be considered at this session.

STATE REFORMATORY AT GRANITE.

When the new Warden was appointed, January 18, 1924, immediate steps were taken to place this institution upon a sound and efficient basis.

Through the application of business methods in the conduct of this institution, highly satisfactory results have since been obtained. For the purpose of a comparison between the Waters’ administration and the previous administration, a comparative statement has been prepared covering the four-months period from July 1, 1923 to October 31, 1923, of the previous administration, and for the four-months period from July 1, 1924 to October 31, 1924, of the Waters’ administration.

The new Warden, it will be noticed, was able to reduce the general cost of maintenance for the institution, notwithstanding the fact that he had to care for an increase of forty-seven in the daily average number of inmates. It will also be noted that the net earnings from the several industries were greatly increased. Better food and clothing are being provided, notwithstanding the reduction in the per capita cost of maintenance.

COMPARATIVE STATEMENT OF INCOME AND EXPENDITURE
FOR FOUR-MONTHS' PERIOD
AS OF OCTOBER 31, 1923 AND OCTOBER 31, 1924.

Account	Amount	
	10-31-23	10-31-24
DR.		
General Cost of Maintenance	\$ 73,776.91	\$67,654.94
General Cost of Operations.....	11,151.61	19,070.85
Transfer from Earnings.....	7,670.81	24,676.85
Surplus – Increase	<u>19,313.34</u>	<u>19,821.54</u>
TOTAL	\$ 111,912.67	\$131,224.18
CR.		
Transfer from Reserves:	10-31-23	10-31-24
Appropriations.....	\$ 87,074.04	\$87,139.78
Revolving Fund.....	11,349.51	10,957.05
Gross Earnings	<u>13,489.12</u>	<u>33,127.35</u>
TOTAL	\$ 111,912.67	\$131,224.18

Account	Amount	
	10-31-23	10-31-24
Earnings:		
Farm.....	\$ 5,503.87	\$10,896.20
Quarry.....	459.53	11,257.27
Shoe Shop.....	1,692.60	2,890.18
Tailor Shop.....	4,528.16	5,452.93
Industrial Building	181.81	259.20
Ice Plant.....	-----	<u>1,417.88</u>
TOTAL EARNINGS	\$ 12,365.97	\$32,173.67

Account	Amount	
	10-31-23	10-31-24
Earnings:		
Farm.....	\$ 4,073.34	\$7,094.77
Quarry.....	1,287.41	3,970.40
Shoe Shop.....	1,692.60	2,890.19
Tailor Shop.....	4,008.98	4,508.97
Industrial Building	303.09	1,034.44
Ice Plant.....	-----	<u>201.38</u>
TOTAL EXPENSES.....	\$ 11,151.61	\$19,070.85
NET PROFITS OR EARNINGS.....	1,214.36	13,102.82

MISCELLANEOUS AND STATISTICAL
COMPARATIVE STATEMENT OF AVERAGE DAILY COST
OF MAINTENANCE AS OF
OCTOBER 31, 1923 AND OCTOBER 31, 1924.

Account	Amount	
	10-31-23	10-31-24
Food.....	\$ 0.211	\$0.247
Clothing.....	.094	.109
Salaries.....	.336	.236
Heat, Light, Water and Power243	.219
All other Expenses	<u>.246</u>	<u>.138</u>
AVERAGE TOTALS	\$ 1.13	\$0.95

DAILY AVERAGE OF INMATES BY MONTHS:

	1923	1924
July.....	545	604
August.....	533	583
September.....	524	567
October.....	<u>530</u>	<u>566</u>
AVERAGE TOTALS.....	533	580

House Bill No. 39, approved at the Second Special Session of the Ninth Legislature, appropriated \$15,000.00 to install a tannery at this institution.

The tannery building which is now in process of construction will be 110 feet long and 68 feet wide. It is being built of solid granite with a concrete floor and will be covered by a reinforced concrete roof. When completed, it should be everlasting.

The appropriation was made to install the tannery, and as the building will cost something over \$5,000.00, an appropriation will be needed with which to buy the machinery and equipment. The way the appropriation was made, not any of it can be used to buy chemicals or an opening stock to start the business, and it would appear that an appropriation of \$5,000.00 will be needed for this purpose.

The following report from the Warden is submitted:

CONDITIONS OF JANUARY 20, 1924.

“It is probably useless for me to say that when I returned to the Reformatory on January 20, 1924, after a year’s absence, I found everything in a very dilapidated and run-down condition. In the summer of 1922, I secured the aid of a dairy expert and we purchased a dairy herd upon a production and butter-fat basis that was very satisfactory, but upon my return I found that the former Warden had traded twenty head of these cattle to a man by the name of Jenkins, and permitted him to take his pick from the herd. This almost ruined our dairy herd and I have not as yet been able to build the herd up to its former standard. I found that the cotton seed that was raised last year on the State Farm was advertised and sold to the farmers as pure Acala Cottonseed. It had been stored all together in a large pile and on account of this had heated and lost its germinating power.

“The farmers who bought the seed came to us and complained that the seed would not germinate, and we were compelled a return the purchase money. The Legislature, in 1921, gave an appropriation of \$8,000.00 for the erection of the Industrial Building and also gave an appropriation of \$12,500.00 for the equipment. With these appropriations, we erected a fireproof building, 210 feet long and 60 feet wide. We equipped it with a carpenter shop, plumbing shop, tin shop and blacksmith shop. In the equipment was several thousands of dollars worth of fine-edged tools and upon my return to the Institution last January, I found that a large number of these fine-edged tools were missing. I have never been able to locate them and on account of these missing tools, the work that was being so successfully done has been very much impaired.

“When the ice plant was installed in 1923, they took over the kitchen at the dining hall, and it is now necessary to wash dishes in a narrow run-way which is very difficult to make out with, and the entire kitchen and dining hall is badly in need of more room. When the kitchen was built, it was only made about half as large as was contemplated in the blue print because of insufficient funds and on account of this small dining room, it is necessary to feed two lines three times per day, which entails nearly twice as much work in the kitchen and causes a substantial delay in getting men out to work. In order to crowd them in on two lines, it is necessary to feed them on benches as there is not room to place tables in the dining hall. If we had an appropriation of \$8,000.00 we could build a 75-foot addition to this dining hall, build a kitchen and purchase sufficient lumber with which to build tables and chairs, which work would be done at our Industrial Building. This would be much more satisfactory to the inmates and employees. After the dining room is enlarged and tables made, it would not cost the state one cent more to feed the inmates than it does to feed them on the benches we have now.

“Making appropriations for the Granite Reformatory is not like making appropriations for the other state institutions, because all we need is enough of an appropriation to buy the cement and steel reinforcement and to pay one man to superintend the work. We can make one dollar go as far as seven or eight would go under the regular contract system. The administration building, the East and West wings, are among the finest of their kind in the United States, and with all these nice improvements all visitors feel and agree that we are entitled to a better suited dining room. The dining room is really the only eyesore we have inside the walls.

"I want to mention also that the laundry equipment was second hand material when it was purchased about ten years ago, and for ten years it has been worn out. It costs the state more in the long run to buy repairs than it would to buy new machinery outright, not mentioning the delays and inconveniences caused by frequent shut-downs. We need an appropriation of \$7,000.00 with which to purchase new equipment for the laundry.

"We have been very successful in the breeding and raising of hogs at this institution, but our facilities for the handling of them are very poor indeed. We could have one of the best and most convenient hog ranches in the State if we had an appropriation of about \$1,500.00 with which to buy a carload of bois'd arc posts, woven hog wire and cement. I have in my possession a plat of hog ranch at the A. & M. College at Ames, Iowa, and with a small appropriation of about \$1,500.00, as mentioned above, I could install the same at this institution; and, in my judgment, it would pay the State 100 per cent on the investment, and when once installed it would be a permanent improvement.

"Upon my return to take charge of the Reformatory last January, I found the poultry houses and lost torn down and moved away. There were just a few chickens left that seemed to be infected with blue bugs and in an unhealthy condition to such an extent that it was necessary to get rid of them all. I made a deal with Dr. Bagby, superintendent at Supply, to trade him crushed rock for a supply of White Leghorn chickens. We gathered up scrap lumber and built some new chicken houses and at the present time we have 610 purebred White Leghorn chickens. With this start we are intending to get into the chicken business on a large scale this coming spring. We need some addition buildings and more pasture for the chickens, but I think that we can handle this proposition without asking for any aid.

"We have 56 mules at the institution, and this represents about the number we actually need. However, twelve of these mules are very old and are almost worthless. I suspect that they range in age from 25 to 30 years old. These twelve head, in my judgment, ought to be sold at public auction for whatever they will bring. To replace these mules, we ought to have an appropriation of \$1,000.00 which will buy twelve good young mules.

"The dairy herd, as mentioned before, is not anywhere near the standard it was when I left here in 1923, but we are constantly looking around for dairy cattle and when we get the chance to buy a good milk cow at a reasonable price, we buy her. Without any appropriation I think that within another year I can re-establish a good dairy herd.

"When I came to the reformatory in 1920, I found the storeroom located in an old dilapidated building down near the mule barn outside the walls. This was very unsatisfactory for, besides being unsatisfactory located and very inconvenient, it was likely to get burned or burglarized at any time. From time to time it was broken into at nights. To overcome this condition, I moved the storeroom into the basement under the administration building and by so doing, stopped the stealing and also made a more convenient location. But I realize that, in case of fire, it would do considerable damage to the administration building. This basement storeroom is not more than one-fifth as large as it should be, and because of its small size we can keep only the most essential articles on hand in the store. The rest of the stock and supplies we have to store in various places, causing a great deal more inconvenience and unnecessary work. We store the flour in the industrial work, the potatoes in another building, and othes supplies in a building outside of the walls. In fact, we are very much in need of a new storeroom building, and there really ought to be a good, fire-proof building erected. We can erect a suitable building for this purpose with an appropriation of \$5,000.00."

All of the institutions considered above are under the supervision of the state board of affairs. We will now consider those institutions which function under the State Health Department, namely, the three tuberculosis sanatoria at Talihina, Clinton and Boley, and the Rehabilitation and Industrial Institution for the cure of drug and liquor addicts at Darlington.

THE DARLINGTON HOME.

In discussing this matter I shall quote in full the statement on this subject as made in my message of January 14, 1924, to the Ninth Legislature in its Second Special Session:

"Under Senate Bill No. 385, Session Laws of 1923, entitled 'An act establishing an institution for drug and liquor addicts in this State,' provision was made for the purchase of a certain tract of land and buildings thereon known as the 'Darlington Home,' in Canadian County, Oklahoma, for the establishment of an institution for the cure of drug and liquor addicts. In view of the fact that no similar institution is maintained in any of the other states of the South and West, the passage of this act is apt to result in an influx of drug habitués into Oklahoma from other states, as is evidenced through letters and communications reaching the executive department. I might also point out that our existing appropriate

institutions should be adequate for the care of our resident addicts, since therein they may receive scientific treatment for their ills at no additional cost to the taxpayers. With this in mind, I am recommending the repeal of this act, with the suggestion that adequate adjustment be made for any obligations that may have accrued by reason of the operation of this law.”

Since this message of a year ago, I feel that experience has more than justified the conclusions and recommendations there in set forth. Therefore, I respectfully renew the recommendation that this institution be abolished; that provisions be made for the care of this class of patients at Fort Supply or some similar institution, if indeed it is felt that we should continue to provide treatment for such patients; and that a proper settlement be made of any obligations which may have been undertaken through the approval of Senate Bill No. 385, Session Laws, 1923.

Total expenditures for this institution for the fiscal year ending June 30, 1924, amounted to \$94,287.42; budget requests for the year ending June 30, 1926, totaled \$120,000.00 with an additional \$100,000.00 for the year ending June 30, 1927. From the information at hand, and in further view of the fact that many of our state institutions will be forced to undergo hardships by virtue of our inability to properly provide for their cost of maintenance and operation, the expenditures required by this institution, as now constituted, would appear to be absolutely unjustified. For the six months period between January, 1924 and July, 1924, this institution maintained an average of forty-one patients, at a per capita cost which would seem to be beyond all reason. On the other hand patients at Fort Supply are maintained at a per capita cost, per year, of \$246.85. The total expenditures for the Supply Institution, for the year ending June 30, 1924, amounted to \$171,232.48, and yet this institution maintained an average of 569 patients daily.

Even a casual investigation will reveal the fact that the buildings and equipment at Darlington are wholly inadequate and unsuitable for the purposes contemplated by the law. Every effort has been made to operate Darlington in a proper and efficient manner and yet, in justice to everyone concerned, it must be admitted that the operation of this institution to date has been anything but satisfactory. I have requested several highly competent and trained investigators, skilled in problems of this character to visit this institution and to report their findings to me and these gentlemen will be placed at the disposal of your respective committees when this subject is under consideration.

THE TUBERCULOSIS SANITORIA.

The state maintains three institutions for the treatment of tubercular patients and, in addition, has one institution which is being operated in conjunction with the Federal Government, for the treatment of war veterans. The institution at Talihina, established in 1919, maintained an average of forty patients for the year of 1924. The institution at Clinton, opened in 1922, maintained an average of seventy patients for the year of 1924. Both of these institutions are functioning in a satisfactory manner and rendering excellent service.

In addition to these two institutions, the state has an institution at Boley for the treatment of tubercular negroes, which was opened on November 1, 1921. When the budget officer visited this institution in October, 1924, he found it maintaining eleven patients and eighteen employees. It is the history of this institution that its total population has dropped to as low as five and that it usually maintains an average of from ten to fifteen patients. The total expenditures for the year ending June 30, 1924, amounts to \$45,533.00 which would most certainly seem to be out of all proportion when compared with service rendered.

It is suggested that this institution be abolished and that a special ward building for the care of negro patients be provide at once at one of the other tuberculosis institutions. Provisions can be made for a sufficient number of negro employees and a great savings could be effected on the overhead. Such a building can be constructed at a nominal cost and, in my judgment, the patients would be given much better treatment at another institution than it is possible to obtain for them under existing conditions.

SOLDIERS' HOME.

The Oklahoma Confederate Home at Ardmore is now caring for 105 men and women. This institution is crowded and has a waiting list of forty as of December 1, 1924. The Union Soldiers' Home at Oklahoma City, is in a similar condition – its total population numbering 100 and a number of applications are on file for admittance. Both of these institutions are in need of repairs and additional equipment for the coming biennium.

While it would seem that the peak of these war veterans and their eligible dependents, seeking admittance to the home, should be reached during the next two years, the fact must not be lost sight of that we have in Oklahoma approximately 6,000 Spanish War veterans and more than 80,000 veterans of the World War. With this in view, and looking forward to the future, it would seem expedient to inaugurate a

broad general policy in order to be prepared to care for these veterans and their dependents. With this idea in mind it will be necessary, at least in the future, to enlarge our present establishments or to transfer one of them to a larger institution if we are to meet the inevitable demands of our Spanish and World War veterans, and their dependents. We have another matter, however, that should properly receive attention at this time, and before we are faced with an unpleasant emergency. Under the present law "mothers of veterans" are eligible to this institution. Since we have not less than 90,000 Spanish and World War Veterans within our borders, it is certain that in a few years any homes now available, or hereafter provided, will be taxed to capacity in caring for these veterans, their wives and widows, when dependent. It becomes a question then of how far the state can go in extending the benefits of such an institution to mothers. I would not want to say that they should be excluded, for they all should not be, but I believe that legislative action, which would limit the benefits to mothers of a certain class, such as those who were residents of Oklahoma when their sons enlisted or served in the World War should be considered. Otherwise, at some future time, such dependents might fill our institutions to capacity to the exclusion of many aged and dependent veterans themselves.

(2) DEPARTMENTAL PROBLEMS. BANKS AND BANKING.

With the beginning of the present administration, the state was without a banking commissioner, and because of conditions existing through out the system every possible effort was exerted to secure an outstanding banker of established reputation to head this important department in order that we might restore confidence in our state banking institutions and administer the affairs of the defunct banks in the hands of the department in the best interests of the depositors. With this in mind, this appointment was tendered to not less than three men of the highest qualifications, but each in turn found it impossible to withdraw sufficiently from his private business that he might enter the public service.

In the meantime, however, the acting bank commissioner had gotten the situation so well in hand that it seemed the course or wisdom to appoint him bank commissioner in fact, which was done.

In their larger phases, the duties of the state banking department may be divided into two main functions. First, the liquidation of those solvent banks remaining in the system.

A review of the situation would indicate that the public confidence has been re-established in the state banking system. We now have 381 banks operating under state charters and a few more than 400 national banks. Officials of the department predict, however, that the number of state banks will soon exceed the number of national banks.

In view of the vast amount of litigation, with which this department had to do, the Ninth Legislature, in Senate Bill No. 150, approved March 17, 1924, created the position of assistant banking attorney – said position to elapse March 11, 1925. This additional attorney is certainly needed in the banking department, and I recommend that this position be continued in order that he may continue with the department work with which he is now engaged.

The following report from the bank commissioner will explain, briefly, the present condition of the banking department and the character of its work.

"I am submitting herewith information relative to the state banking departments, in which I have attempted to show in detail, certain phases of the work with its attendant obligations.

CRIMINAL PROSECUTIONS.

"We have succeeded in securing thirty-three criminal convictions for violation of banking laws, resulting in most instances in penitentiary sentences; however, in a few cases conviction resulted only in a fine. We also have at this time approximately 250 criminal cases pending, growing out of the failure of state banks. These cases are distributed largely over the state and we are filing additional information almost weekly. In this list of cases we have as many as five or six charges against a single individual.

CIVIL LITIGATION.

"Through the attorneys for this department, we have also tried sixty-odd civil cases and have more than twice that many cases now pending. These cases involve suits filed against stockholders on account of their stockholders' liability in failed banks, suits to recover confiscated balances from correspondent banks, both in and out of the state; also suits against correspondent banks for conversion of assets of failed banks, and, altogether, they involve such an amount of litigation that it will require at least two years to get adjusted and settled.

"In this connection, this department is short of help and needs one additional employee – one who is competent to handle the work of our two attorneys and possesses the combination of an experienced law clerk and stenographer. Were it not for the work now being handled by our attorneys, this department

would be unable to function properly and could make no satisfactory progress at all. Their services are to me indispensable at this time.

LIQUIDATION OF FAILED BANKS.

“Since I have been acting as bank commissioner, I have closed fifty banks which are now in the course of liquidation. I have closed three additional banks which were re-organized and re-opened. I also have forty-five additional banks now in the course of liquidation which failed prior to October 1, 1923. In addition to the banks now being liquidated under the provisions of our present liquidation law, we have all of the assets belonging to the Depositors’ Guaranty Fund, which are being liquidated under the supervision of this department.

“The time and labor required to handle the liquidation of our banks has more than doubled the volume of work to be handled by this department, and, in addition to this, the preparation of legal papers, such as petitions, court orders, releases of mortgages, deeds, assignments, informations on account of law violations, etc., which it is necessary to prepare for our attorneys, has also added an extra burden to be taken care of by our stenographers.

“I have, in addition to the regular office force, which consists of the commissioner, assistant commissioner, auditor, two attorneys and a building and loan auditor, eleven field men, one of whom I am using to assist the building and loan auditor in making audits of building and loan associations. One of the other has been kept and used largely by our attorneys as evidence men in checking records of failed banks, in preparing evidence for them and assisting in trials. The work of examinations has been carried on by nine examiners and has been well taken care of during the past year.

“For your further information, there has been paid to depositors in failed banks prior to November 1, 1924, \$843,693.00. There has been collected by our liquidating agents and is now held under restraining order issued by the federal court, on account of suits instituted by bonding companies furnishing depository bonds to banks that have failed, the sum of \$1,267,540.00. Most of this fund will be held under court order until the cases now in the process of being tried in the federal court have been adjusted and settled.

“In order that you may understand how we are affected by the suits pending, you are advised that it will be necessary to take dispositions of bankers who have left the state of Oklahoma, and of examiner who made the reports when certain banks failed; and these men are scattered over several states. These cases will require sixty to ninety days to try and will involve a large expense in bringing witnesses to the court and in paying their expenses to and from their respective homes.

“It has been conservatively estimated by the two attorneys for this department that the cost of trying the bonding cases now pending will not be less than \$15,000.00, and that it will be necessary for this department to have an emergency fund provided by the next session of the legislature with which to meet these expenses.

“After the cases have been tried in the federal court here, they will undoubtedly be appealed to the circuit court of appeals at St. Louis. The cases will have to be briefed and printed. After the circuit court of appeals passes upon them, no doubt they will be carried to the Supreme Court of the United States, when additional briefs and printing will have to be done. In fact, one of the largest worries and one which will cause the largest expenditure of funds is the federal cases now pending.

RECOMMENDATIONS.

“I do not at this time have in mind asking for any additional amendments to the banking laws, as they now stand, in their relation to the supervision and government of state banks, as I believe our law at present is wholly adequate. With the addition of a competent law clerk and stenographer to the force, as it now exists, I believe we will be able to take care of the business coming under the supervision of this department in a fairly satisfactory manner.”

BOARD OF VOCATIONAL EDUCATION.

In 1917 congress enacted the Vocational Education Act, the purpose of which is to provide for cooperation with the states in the promotion of vocational education in agriculture, trades and industries and home economics. Under the terms of the Federal Vocational Educational Act, it is not the purpose of the federal government to undertake the organization and immediate direction of vocational training in the state, but it does agree to make, from year to year, substantial financial contributions to its support.

By reference to the Session Laws of 1917, Chapter 155, Section 1, you will find that the state of Oklahoma, accepted the provisions of this Act of Congress, and since that time the state has attempted to maintain a department of vocational education and has rendered a service in organizing practical courses of study in oil refining, cleaning and dying and many other similar pursuits of an exceedingly worthwhile nature.

The State Board of Vocational Education, as now constituted, (Section 10,696, Compiled Oklahoma Statutes, 1921) consists of the State Superintendent of Public Instruction, the President of the Board of Agriculture, the President of the State University, the President of A. and M. College, and one member to be appointed by the Governor with the consent of the senate who shall hold office at the will of the Governor and who is secretary to the board.

In my judgment, this department should be placed directly under the supervision of the state superintendent and the state board of education. The members of the board, as it is now organized, all have duties that require their constant and personal attention, and it also would appear that our educational activities, in so far as possible, should be restricted to one general department.

STATE MARKET COMMISSION.

As another step toward the suggested coordination, of our various activities, I recommend that the State Market Commission be placed in the Department of Agriculture under the control and supervision of the State Board of Agriculture. Its present organization, as an independent department, is in my opinion, incompatible with economic and efficient administration.

THE NEW HIGHWAY COMMISSION.

The new highway commission entered into its duties in March of 1924, having been created by virtue of the passage of Senate Bill No. 44, which was approved by the Governor on the 14th day of March, 1924.

The members of the State Highway Commission are paid a salary of \$10.00 per day for each day they are in session, together with necessary expenses incurred in connection with their duties. The secretary to the commission receives a salary of \$3,600.00 per year and gives his full time to the duties of his office. The state highway engineer receives a salary of \$6,000.00. All of these salaries are in accordance with the terms of the act creating the State Highway Commission.

The following report from the State Highway Commission is herewith submitted:

ORGANIZATION.

“The New State Highway Department is divided into the following sections:

1. The Engineering Department, under the direction of J. M. Page, state highway engineer.
2. Automobile License Division, under the direction of M. S. Blassingame, chief clerk. Salary, \$175.00 per month.
3. The War Materials Division, under the direction of R. R. Fitzgerald, superintendent, salary \$200.00 per month.

“After the appointment of the members of the State Highway commission, the public’s confidence in the administration of the state highway department was evidenced by the voting of a number of bond issues by counties and townships to obtain funds for highway construction to be expended under the direction of the State Highway Commission, in conjunction with state or federal funds.

FINANCES.

“The annual Federal Aid appropriation allotted to Oklahoma is at present \$1,750,000.00. The state highway construction and Maintenance fund is derived from the proceeds of that part of the 2 _ cent gasoline tax which is returned to the state, one cent of which tax is returned to the counties to be expended by the boards of county commissioners under the supervision of the State Highway Commission, and 1 _ cent is deposited as the state highway construction and maintenance fund to be expended by the state commission. Of that portion of the gasoline tax accruing to the state highway construction and maintenance fund, seventy-five per cent of the funds derived must be used for construction and not more than twenty-five per cent of it may be used for maintenance. This makes the state highway maintenance fund equivalent to a tax on gasoline of 3/8 of one cent per gallon, which amounts to approximately \$500,000.00 per year. This amount is entirely inadequate to finance the entire cost of maintenance of a connected state highway system and in order to maintain the state highways which have been designated by the commission, in accordance with the terms of Senate Bill No. 44, individual agreements have been made with a number of counties whereby the gasoline tax funds returned to the counties are used either in whole or in part in conjunction with the state highway maintenance fund in maintaining the state highways in that county.

CONSTRUCTION AND MAINTENANCE.

“Highway and bridge construction in 1924 may be separated into two general divisions. First, approximately \$3,000,000.00 worth of uncompleted construction work which had been awarded by previous administrations and which was taken over by the State Highway Commission to be completed. Second, the new construction placed under contract by the State Highway Commission, which amounts to

nearly \$6,000,000.00. The uncompleted contracts which the State Highway Commission took over have been almost entirely completed during the current year.

“The organization of the engineering department on a plane capable of adequately taking care of the large amount of work which it had before it was effected by dividing the department into four major divisions and placing a capable man in charge of each with the following titles, which to a large degree also outline the scope of their respective duties; i.e., bridge engineer, office engineer, engineer of plans and surveys, engineer of tests and materials. On November 1, 1924, there was added to this organization a state maintenance engineer who is in charge of the administration of the state maintenance forces on the state highways in the various counties.

“In addition to this the state was divided into seven divisions and a division engineer established in each division. Each individual piece of construction is in charge of a resident engineer, assisted by a sufficient number of inspectors, to properly supervise the work in hand. Maintenance superintendents have also been appointed to supervise the maintenance of their part of the state highway system which has been taken over by the State Highway Commission up to the present time. Maintenance is organized on the patrol system supplemented by maintenance gangs where necessary.

“The highway department has four survey parties continuously in the field making all of the field surveys and is preparing all of its plans, specifications and estimates complete in the Oklahoma City office where a well equipped drafting department has been organized. There has also been founded and equipped a complete testing laboratory, where tests of all materials entering into our construction are made. This department has been developed until a complete control over the quality of materials used is obtained

PUBLIC MEETING OF COMMISSION.

“The State Highway Commission has adopted the policy of holding weekly meetings in Oklahoma City and as frequently as possible, meetings in the various towns and cities throughout the state, at all of which the county commissioner, county engineers and citizen delegates are free to meet with the commission and present the matters in which they are interested for the consideration of the commission. By this method the State Highway Commission has kept in close touch with the various counties and every effort has been made to take care of the individual urgent construction needs of the counties by allotting state aid to match county funds, thus forming a state aid project and financing the construction of the project concerned. One hundred such state aid projects, ranging in size from a few hundred dollars in value to several thousand, are scattered generally throughout the state.

THE RECORD THUS FAR.

“During the present year there has been completed 347 miles of highways and approximately 320 miles of new work has been placed under construction. In addition to this, approximately 330 miles have been surveyed and plans are now being prepared. This work will be placed under construction in the near future. Since taking office the State Highway Commission has disbursed approximately \$6,250,000.00. There is already financed through the various county bond issues, in conjunction with the state and federal aid, a large construction program to be executed during the construction season of 1925. Surveys for this work will be made and plans prepared during the winter months so that the 1925 construction season may be launched as soon as weather conditions permit.

CONVICT ROAD CAMPS.

“A convict camp has recently been organized and located in the Arbuckle Mountains, north of Ardmore in Murray and Carter Counties, to provide for the construction of State Highway No. 4 through the Arbuckles, thereby eliminating what now constitutes a very formidable barrier for automobile traffic between Oklahoma City and the Red River Valley. State Highway No. 4 provides the most direct route from Oklahoma City to Forth Worth, Dallas and all central and south Texas points, and the construction of this section of highway by the use of convicts from the state penitentiary is resorted to because financing the construction would otherwise be impossible. Gratifying results of the work of this convict camp, consisting of fifty-two men, is confidently expected.

“A provision of the act creating the State Highway Commission charged the commission with the duty of designating a state highway system to be composed of inter-county and interstate highways. Complying with this provision of the act, the commission has, after a thorough study of the highways of the state, designated a system which is intended to fairly serve the best interests of the various counties and communities of the state and has caused to be published a map with the state highway system plainly indicated thereon. This system consists of state highways numbered consecutively from 1 to 26, embracing nearly 5,000 miles of road and described by listing the major towns or control points through which each

highway passes. Each state highway will be marked by erecting a sufficient number of official state highway signs, in the center of which will be a figure denoting the number of the highway.

THE BRIDGE OVER RED RIVER.

“Among the achievements of the State Highway Commission, worthy of note, is the financing jointly with the State of Texas, in conjunction with federal aid, of a bridge spanning the Red River between Hugo and Paris to replace the toll bridge constructed at this location three years ago which was destroyed by flood water shortly after its completion. The cost of this structure, which will be approximately \$160,000.00 is to be divided equally between the two states. This will constitute the first free bridge over Red River between the two states of Oklahoma and Texas. A contract for the construction on this bridge should be let early in 1925.

SUMMARY.

“It is felt that the work of the State Highway Commission during the present year has been successful, but with the experience gained and the more intimate knowledge of conditions and needs throughout the state more fully understood, there is every reason to believe that the results obtained in 1925 will greatly exceed the record of 1924.

THE AUTO TAX.

“During the year 1923, there were registered in Oklahoma 314,872 motor vehicles and the registration fees for them amounted to \$3,210,925.58, which was an average of \$10.19 per vehicle.

“During 1924 the total number of vehicles registered was 337,740 and the total amount collected was \$3,692,898.93, showing an average of \$10.93 per vehicle.

“This more efficient method of rating motor vehicles has netted to the road fund an average of 74 cents per vehicle and on the total registration of 337,740 vehicles, it has netted the sum of \$246,967.60 which, under the old method, was being lost either by neglect or inefficiency.

“Of the \$3,210,925.58, collected in 1923, there was sent back to the various counties of the state from which it was collected, the sum of 2,889,833.04 and the remaining \$321,092.54 was turned into the state general fund.

“Out of the \$3,692,898.93 collected in 1924, the counties got \$3,323,609.03 and the state general fund \$369,289.90.

NET INCREASE.

“The total increase in collections for 1924 over the amount collected in 1923 was \$481,973.35. To this amount is to be added the December receipts which we estimate at a fraction over \$40,000.00.

“In this connection the following letter from the commission is quoted:

““During 1924 we have issued out of the highway department a fraction over three hundred thousand auto tags.

““To send these tags out by mail costs five cents each in postage, or a total in excess of \$15,000.00. To each of the applicants for tags we mail a receipt which requires a two cent stamp. Therefore, three hundred thousand of these costs postage in excess of \$6,000.00. The preparation of these receipts in the office and the mailing of the tags individually from the highway department requires the employment of from twelve to fifteen extra clerks.

THE SAVING TO BE EFFECTED.

“By the inauguration of the plan we are putting into effect this year, we hope to accomplish the following results: First, save in excess of \$20,000.00 in postage and stationary. Second, save \$7,000.00 or \$8,000.00, and perhaps more in extra salaries in this office. Third, we will take the service more directly to the people and enable them to get their auto license tag and their receipt with much less trouble than theretofore.

PROCEDURE.

“By designating notaries in each county and requiring them to give bond for safe handling of the tags and the proper issuance of receipts the State Highway Commission does not in any manner take away from the taxpayers any of the right which they now enjoy, nor do they impose upon them one nickel extra cost. Heretofore, notaries all over the country have made these applications and charged their regular fee of fifty cents each for their work and have been able to deliver to the applicant either the tag or the receipt, the method adopted for the coming year gives this added service at no increase in cost.

“We realize that in many instances, notaries make these applications for nothing and if they desire to do so during the coming year there will be nothing to hinder them from doing it, and all applications received at this office by mail will be handled in the future just as they have been in the past. If any banker or garage man or notary desires to continue this service for their customers, there will be nothing to

interfere with their doing so. They will receive the same service from the highway department as they have in the past.

“It is simply an effort upon our part to take the service to the people and to reduce operating expenses in the office to the fullest possible extent in order that every dollar possible may go into the maintenance and construction of roads.

“If bankers, auto dealers and notaries throughout the state will co-operate with our bonded notaries in their respective counties, it will aid our department materially and be a substantial service to the road cause.

“In connection with this department, a detailed printed report will be available not later than January 15, 1925, to which your attention is invited.”

FISH HATCHERIES.

At present there is just one fish hatchery in operation under the Fish and Game Department, and it is located at Medicine Park, in Comanche County. The Bryan County Hatchery, located near Durant, had operated under many difficulties due to an inadequate water supply. The operation of pumps was required to supply the hatchery at a cost of \$1,000.00 a season. This water is treated with chlorine, which caused the death of many young fish. This institution was abandoned for the reason that it would require not less than \$20,000.00 to build a water system to supply the plant, and possibly \$1,000.00 each year thereafter to operate the pumps that would be required. The farm on which the hatchery was located has been leased to the Southeastern State Teachers' College for demonstration purposes for the benefit of students in the agricultural courses.

The equipment used at this hatchery will be shipped to the new hatchery now under construction at Tahlequah, which will be completed and in operation about January 15, 1925. Senate Bill No. 93, approved March 7, 1923, provided an appropriation of \$80,000.00 to establish and equip two propagating farms and fish hatcheries East of the Missouri, Kansas and Texas Railroad; one to be located north of the Arkansas River and the other one to be located South of the Canadian River and the Arkansas River.

The selection of suitable locations was to be made by a commission therein created, consisting of one member to be appointed by the Governor, one selected by the state senate, and one to be selected by the House of Representatives. To date but one suitable location has been found, the one at Tahlequah, and no action has been taken in regard to the other proposed hatchery. In the interest of a centralization of authority, however, it would seem the course of wisdom to abolish this commission and to provide that hatcheries in the future be located either by the fish and game warden, or by the fish and game commission, which is likewise authorized by law.

CONFEDERATE PENSIONS.

The present pension law, as amended by the last Legislature, provides for the payment to Confederate Veterans of \$10.00 per month to those veterans in the Confederate Home at Ardmore, and \$25.00 per month to those veterans living outside the Home and who have complied with the 1915 Statutes.

To meet these payments, the Pension Department requested an appropriation of \$820,000.00 per year, but this request was reduced by the Ninth Legislature to \$775,000.00 for the first year, and to \$575,000.00 for the second year. As a result, this Department cut the \$75.00 per quarter payments to \$53.00 for the fourth quarter of the first year, and having only \$575,000.00 for the second year, beginning July 1, 1924, the Department was able to make \$75.00 quarterly payments for only the first two quarters, and it is estimated that it will require an additional \$260,000.00 if the \$75.00 quarterly payments are made for the third and fourth quarters of the present fiscal year. We now have 2,850 pensioners on the rolls, which is an increase of fifty over the previous year, due to the fact that pensioners have migrated to this State and complied with the pension laws of Oklahoma from states which have made no provision for such pensions.

COLLECTIONS IN THE LAND DEPARTMENT.

On January 1, 1924, steps were taken to check up on delinquent contracts in the Department of the Commissioners of the Land Office, in order that we might place this Department upon a sound financial footing.

In the Sales Division, there was on January 1, 1924 more than \$1,000,000.00 delinquent. More than one-third of this amount has been collected and all of the balance will be collected or adjusted during the next six months.

On January 1, 1924, of the 1800 agricultural leases, 944 were delinquent, the total delinquencies in this division approximating \$258,656.97. On December 1, 1924, we had less than 100 delinquents and practically all will be paid by March 1, 1925.

From January 1, 1924 to December 1, 1924, the Department executed oil and gas leases on 3,360 acres of land, receiving a total bonus for the same of \$420,490.40, or at the rate of \$125.00 per acre. This is the largest bonus per acre the department has received in any one year.

In the Loan Division, the Commissioners have ordered 161 loans foreclosed. Of this number, 62 were made under the so-called Home Ownership law, enacted in 1919, and 99 were of the straight five-year class. The present status of these loans is as follows: Paid in full, 12; judgment taken, 11; ready for judgment next term of court, 20; ready for trial within the next two months, 69; interest paid and loans reinstated, 16; loans pending settlement, 3; suit filed but not ready for trial, 18; suits not filed, 12.

During the period from January 1, 1924 to December 1, 1924, the Department received 2,342 applications for loans. Of this number, the title attorneys have examined title in 2,305 cases. This does not include the number of supplemental examinations made by attorneys in connection with loans completed.

All of this work has been done at an approximate cost to the tax-payer of one-half of one per cent.

(3) QUESTIONS OF ADMINISTRATION. CAPITOL BUILDING AND GROUNDS

The following reports are submitted by the State Board of Public Affairs:

“This Board is charged with the care of the Capitol Building and Grounds, and desires to direct your attention to several features in connection with the carrying out of the ‘Kessler Plan.’

“To do this, the State must acquire approximately nineteen acres North of the Capitol on either side of Lincoln Boulevard; also approximately forty lost in scattered groups east of the Capitol. The properties mentioned, as shown by the records, are owned by about forty-five different concerns. The present improvements, viz., residences, filling stations and other small shops, much be removed and the grounds parked, arranging for the several building sites as indicated in the ‘Kessler Plan.’

“There is also a considerable amount of excavating to complete the grounds south of the Capitol, viz., to remove the dirt from a 50-foot strip on the east side of Lincoln Boulevard between 21st Street and the State’s south property line; also the area north of 21st Street and east of Lincoln Boulevard. Some of this dirt would be used for necessary grading on other parts of the Capitol Grounds.

“A planting plan for the entire Capitol Grounds, together with an analysis of the soil is now being prepared by a landscape architect and engineer. This plan is to cover the entire development and ornamentation of the Capitol Grounds, including flowers, plants, shrubbery, fountains and other features, together with sprinkling facilities and lighting effects.

“The drilling of a water well to supply the Capitol and Grounds with drinking water and water for irrigating purposes as well as for general use is suggested. In this connection it may be mentioned that several of the larger office buildings and hotels in Oklahoma City supply themselves with water from deep wells.

“The completion of the unfinished, rough, concrete terrace walls by facing same with granite in keeping with other parts of the building is suggested.

“The installation of an efficient and up-to-date elevator service is urgently recommended.

“The decoration of the interior walls of the Capitol is mentioned in connection with an informal proposal for the painting of an appropriate scene typical of the cosmopolitan citizenship of the State and its response to the call to the colors in the recent World War in the square and lunette on the inside of the south wall of the Capitol immediately above the main entrance, together with the roll of those who made the supreme sacrifice in such War, on the walls at the end of the corridors on either side of the grand staircase on the fourth floor, in gold letters, at a cost of \$17,500.00; the installation of marble wainscoting eight feet in height in the Legislative Halls, the Court Rooms of the Supreme Court, Court of Criminal Appeals, and other assembly halls and all of the corridors is suggested.

INSURANCE FOR STATE PROPERTY.

“The necessity of providing for losses of State property that might occur on account of fire or wind storm seems imperative. The State, of course, can carry its own insurance but provision should be made that would enable the proper department or institution to continue to function in case of loss. At present serious catastrophe in case of fire or wind storm would necessitate that the Legislature be convened to authorize appropriate action.

“The last regular session of the Oklahoma Legislature appropriated the sum of \$120,000.00 to cover premiums for fire and tornado insurance for the biennium ending June 30, 1925, which, however, was vetoed, since which time almost all the insurance on State property has lapsed by reason of non-payment of premiums.

"In 1922 at the instigation of this Board, the State Insurance Board, through the Fire Marshal's Office, and with the help of the Actuary and the cooperation of the Oklahoma Fire Prevention Association, made a complete survey of the State Institutions. This survey included a valuation upon the building which valuations were figured by a competent contractor and recommendations as to the amount of fire and tornado insurance that should be carried in order to obtain the lowest rates and the most favorable policy form and contained recommendations as to improvements that should be made in the institutions so as to secure the lowest possible rate of insurance and thereby reduce the cost of same to the minimum.

"The recommendations made in such report were carried out with the result that the State of Oklahoma at the present time enjoys an average rate on its State Institutions of Sixty-four and Forty Hundredths Cents (.64 40) per \$100.00 for combined fire and tornado insurance, whereas the average rate on the State Institutions in the United States at this time is Ninety-seven and Twenty-six Hundredths Cents (.97 26). Upon the amount of insurance necessary to protect the State's property, this saving in premium under the average rate on the United States amounts to approximately \$46,000.00 per year.

"Furthermore, a form to be used on fire and tornado insurance policies covering the State Institutions and their contents was prepared and adopted by the Board of Affairs and approved by the insurance companies which simplified the carrying of this insurance and provides substantial advantages to the State over the forms previously used.

"One of the considerations for the low rate of premium charged on the State Insurance was the use of what is known as the Reduced Rate Contribution Clause, which is embodied in the form attached to the policies and which provides in fact that the State will maintain insurance on its properties to the extent of 90 per cent of their value and failing to do so shall become a co-insurer to the extent of the deficit.

"The lack of available funds for the purpose of paying the premium charge necessary to renew expiring insurance has violated on the part of the State the provisions of the Reduced Rate Clause and in the event of a loss by fire or tornado, the State is not only inadequately covered in the event of total loss, but would be penalized in the apportionment in case of partial loss.

"The record of premium paid for fire and tornado insurance and losses collected on State Institutions commencing with the year 1913 and ending with the year 1925 indicates that the recoveries made exceed the premiums paid.

"The total insurance to be carried on such State Institutions as comes under the Board of Affairs according to the recommendations of the State Insurance Board was \$13,955,542.00. These values are concentrated in a comparatively few points, and, therefore, a loss at any one point may consume values in excess of the premium payments on insurance for a great many years.

"It is the opinion of this Board that the State's spread of liability is not sufficient to justify its assuming its own risk of loss from fire and tornado and that it is highly advisable to keep the State's property fully insured in reputable insurance companies.

OVERCHARGES AND ERRORS IN FREIGHT BILLS.

"It has been brought to the attention of the Board that numerous errors and overcharges have been made in the payment of railroad freight expense bills for a number of years.

"Tentative arrangements were made to secure an audit of all such bills for the past five years, such audit was to be made by a concern engaged in work of this character and based on a charge of 35 per cent of the amount that might be recovered, no charge or claim to be made against the State except and until recovery is had on claims for refund and then for not more than 35 per cent of any such recoveries.

"Since starting the negotiations for such contract, it has been brought to the attention of the Board that performance under same is prohibited by the Constitution and it is suggested that legislative authority, authorizing such a contract, is advisable, provided that such contract shall not cover the audit of any payments of freight made until the expiration of two years after the date of such payment of the filing of any claim for refund within such period."

BUILDING OPERATIONS.

"Under the heading, unfinished business inherited by the present administration should properly come all construction work in process at the time the new Board of Affairs was appointed.

It was decided by the new Board to stop all work under the cost-plus contracts then in effect except that nearly completed, for the reason that such contracts being indefinite and uncertain were deemed contrary to sound public policy. On December 6, 1923, the following contracts were cancelled: Engineering Building at Norman; Medical Building at Norman; Administration Building at Alva; Addition to the Mail Building at Muskogee.

On the work at Alva a new contract was secured in the amount to \$93,750.00, being a saving of \$37,650.00 as compared to what the buildings would have cost according to the figures furnished by the contractor under the cost-plus plan. Under the new contract secured on the building at Muskogee, a saving of \$3,470.00 was effected. On the Engineering Building, \$7,521.73 was saved and \$913.60 was saved on the Medical Building, both at Norman.

In addition, a ward building has been satisfactorily completed at the State Tuberculosis Sanatorium at Talihina, at a total cost of \$47,945.00.

THE TEXT BOOK ADOPTION.

Pursuant to Section 10246, Compiled Oklahoma Statutes, 1921, I appointed in May, 1924, a State Text Book Commission. On May 28, 1924, this Commission met and organized, advertising for books and bids as provided by law.

It was immediately apparent to the members of the Commission, however, that, as pointed out to the Ninth Legislature in the Governor's Message of January, 1924, when he advised a larger appropriation for the purchase of the books required, or a repeal of the so-called Free Text Book Law, the appropriation of \$950,000.00 available would not supply all of the children of the State with free text books, as had been contemplated by the authors of this measure. Taking this always into consideration, the Commission proceeded throughout May, June and July to examine books and compare prices in an effort to bring the total cost as low as possible.

On June 30th, adoptions for the first eight grades were concluded and announced, while on July 17th, the adoptions were concluded for grades Nine to Twelve and announced, together with all supplementary and approved listings. During much of the time the Commission was in session, Honorable Tom Anglin, as Acting-Governor, presided at the deliberations, owing to the inability of the present incumbent to be in attendance, due to the fact that he was then absent from the State. Having completed the adoptions, the Commission executed five-year contracts with the publishers, as required by law, and subsequently books have been supplied under the contracts, and by the proper agencies, to the children throughout the State.

The State Text Book Commission, its personnel and its actions have been the recipients of the highest praise from teachers, superintendents, school board and citizens of the State. Confronted with the seemingly impossible task of making book adoptions in time for the publishers to supply the schools in September, the Commission worked conscientiously and steadily at its task from early morning until late at night, remaining almost continuously in session, sacrificing the welfare of their personal business for this important work of state concern. No book selections and no activities of any such commission within my knowledge have ever met with such a uniformly favorable reception at the hands of the public and the school profession. In this connection, I wish to take advantage of this Commission, and especially the then Acting-Governor who presided over the Commission throughout most of its deliberations. In the appointment of this Commission, I had the constant aid and advice of our State Superintendent of Public Instruction, who later participated in the work of the Commission throughout its deliberations, as ex-officio secretary of the Board, to whom no end of credit is due; first, for the selection of an excellent Commission itself; and second, for the successful adoption of the books.

In accord with the adoption of the State Text Book Commission, the Superintendent of Public Instruction and the State Board of Education have, through requisitions from the several school districts, proceeded to supply free text books to the children of the first eight grades throughout the State. Books actually and legally ordered by the State were obtained at a total cost within the appropriation of \$950,000.00. However, it was found, as had been anticipated, that this amount would purchase only about 60 per cent of the books actually needed, based upon the requisitions received from the school districts.

Our schools could not have operated with only a partial supply of books if the books were purchased, distributed and used according to the terms of the Free Text Book Law. There must be a full equipment of free books or no free books; and the law made it mandatory that the children be supplied with free books.

To solve this problem, the State Board of Education permitted the operation of a plan proposed by the publishers to supply all books needed, although only 60 per cent of that amount could be legally ordered and paid for by the State. Accordingly, on December 1, 1924, there had been supplied to the schools of the State, books amounting to \$1,570,000.00. After having used the available appropriation of \$950,000.00, it was estimated that there would remain an approximate deficit of \$750,000.00 on June 30th, 1924. Even to hold the cost down to these figures, however, it was necessary to curtail the supply of books, and the State Department of Education was compelled to eliminate from the free list certain texts ordinarily

used and required in the Course of Study, Music, Drawing, United States History, European History, and some other manuals and books have been denied certain grades, while rural schools have received some of the benefits not extended to city schools.

In view of the foregoing facts, it is apparent that to secure a reasonably successful administration of the Free Text Book Law would require that the Legislature now consider the advisability of providing payment for books now in use, as well as for books to be needed during the biennium of 1926 and 1927.

In order to recall the manner in which the appropriation was provided in House Bill No. 197, Regular Session of the Ninth Legislature, Section I, Chapter 175, Session Laws, 1925, having to do with the appropriation for Free Text Books, is quoted herewith:

“For the purpose of supplying free text books to the children of the State of Oklahoma in grades from one to eight, inclusive, in every district in the State of Oklahoma, and for the purpose of defraying all contingent expenses necessary in carrying out the provision of this Act, the State Treasurer is hereby directed to set aside the net amount of money collected by the State Insurance Commissioner from all foreign insurance companies doing business in the State of Oklahoma, (foreign fire insurance companies excepted), between June 30, 1923 and June 30, 1924, \$6000,000.00, and between June 30, 1924 and June 30, 1925, the sum of \$350,000.00 and paid into the State Treasury as provided by law, said money to be designated as the State Text Book Fund; and in order that a sufficient amount of money may be on hand for supplying free text books to the children of Oklahoma, during the fall term of 1924, and each year thereafter, there is hereby appropriated out the State Text Book Fund, created in the first part of this Section, and from moneys not otherwise appropriated, the sum of Six Hundred Thousand (\$600,000.00) Dollars, for the fiscal year ending June 30, 1924; Three Hundred Fifty Thousand (\$350,000.00) Dollars for the fiscal year ending June 30, 1925, or as much thereof as may be needed, for the purpose of defraying the obligations herein provided for.”

As recited in one of the foregoing paragraphs, we now have a deficit against this fund of approximately \$750,000.00. The State Superintendent estimates that we will need an additional \$500,000.00 for the fiscal year ending June 30, 1926, and an additional \$400,000.00 for the fiscal year ending June 30, 1927. From these figures and from this review of the situation, you can readily see the heavy burden imposed upon the taxpayers by virtue of the operation of the Free Text Book Law.

In January of last, year, I was advised by the State Superintendent that an appropriation of \$1,800,000.00 would be necessary for the successful operation of this law, and in my Message to the Second Extraordinary Session of the last Legislature, I urged an increased appropriation to provide sufficient funds for the purchase of free books, or a complete repeal of the law itself. We are unable to convince the Legislature, however, that the cost of the free books would be as great as estimated. Now that the actual figures are at hand, we can see that that estimate was fully justified; in fact, we were able to keep within that amount only by eliminating certain texts from the free text book list.

LAW ENFORCEMENT.

It is one of the first duties of the State to protect the lives and property of its citizens. In recent weeks we have witnessed an epidemic of hi-jacking and bank robberies which constitutes a serious menace to our peace and comfort at home and to our reputation abroad. So serious has this situation become that it was apparent several weeks ago that the facilities of our local law enforcement officers were wholly inadequate to cope with this unusual condition.

Recognizing this fact, several special investigators were employed to work out of the Governor's office to aid the authorities of the several counties and municipalities and to assist in bringing to justice the perpetrators of the outrageous crimes which the State has witnessed recently. In this work we have had the co-operation of the Bureau of Investigation of the United States Department of Justice and the United States Marshal for the Western District of Oklahoma. The city police department of Oklahoma City has rendered extraordinary service in this work and men from that department have worked with officers representing the State and the United States authorities in all sections of the State where crime has been prevalent. When our present facilities are considered, I believe that our efforts have been extraordinary successful. Our officers have captured several of the worst bandits operating within this State and further steps have been taken to break up the various gangs still in operation. This is a matter, however, of great importance, and I believe that this is a subject worthy of the serious consideration of this Legislature.

As an emergency measure I have agreed to issue a deficiency certificate in the sum of \$5,000.00, for the continued prosecution of our campaign against lawlessness and banditry, but this will afford us only temporary relief and it would seem that some action might be taken to provide an agency that could co-

operate with the various law enforcement agencies, now in existence, and thus co-ordinate the work of criminal investigation and prosecution.

MILITARY ACTIVITIES.

The following report on the activities and duties performed by the Oklahoma National Guard during the period of the incumbency of the present Chief Executive of the State, is submitted herewith as presented by the Adjutant General:

“At the time of your accession to office, the National Guard of the State had just completed the onerous and trying detail imposed upon them by the long period of Martial Law within the State and had all been returned to their home station and to their former status in time of peace. The first active duty on which any portion of the Guard was ordered was in pursuance of your General Executive Order No. 3, on November 2nd, 1923, wherein the Adjutant General was ordered to place on active duty the necessary officers and fifty enlisted men to act as a guard for the safe keeping of the State prisoners, then being held in barracks at the State Capitol, and among whom some evidence of mutiny had been reported. This Order further requested the escort of these prisoners by a special train to the Penitentiary at McAlester, and their delivery to the Warden of that institution.

“This duty was promptly and capably performed by Major Abe Herskowitz, Captain H. A. Ferguson, Captain Coen O. Lee, Lieutenants C. Hill, James K. Looney, Paul H. Payne and fifty enlisted men of Companies ‘A’ and ‘D’ of the 179th Infantry. The prisoners were properly guarded and delivered to the Warden without loss or further incident.

“No further active duty for the Guard was required until March 28th, 1924, when as the result of a destructive cyclone at Shawnee, Oklahoma, and pursuant to your Order, Major Corliss S. Howell, Captain Moody Nicholson, chaplain; Lieutenant Oscar W. Covington, Lieutenant Garland A. Hill, and the entire enlisted personnel of the Howitzer Company of the 179th Infantry, located at Shawnee, were ordered on active duty and directed to report to the Mayor of the City of Shawnee to perform such duties as might be required in guarding the district devastated by the tornado and aiding and co-operating in the care of the dead and injured.

“In this connection Captain J. H. Green with two officers and fifty enlisted men of Company ‘G’, 179th Infantry stationed at Maud, Oklahoma, were ordered on duty and directed to hold themselves in readiness to report to Colonel Charles F. Barrett, 179th Infantry, for service at Shawnee, Oklahoma.

“On May 28th, 1924, as a result of the devastation and destruction of another tornado at Wetumka, Oklahoma, Captain Charles C. Rice, Company ‘I’, 179th Infantry; Captain George L. Cook, 120th Engineers, and such other officers and men as were considered necessary from those two organizations were placed on active duty to aid the civil authorities in guarding the devastated and caring for the injured.

“In all of these instances, the duties to be performed were urgent and of an extraordinary character. Your attention is called to the fact that the Guard in all these instances rendered most competent, necessary and important service to the afflicted communities.

TROUBLE IN THE COAL FIELDS.

“The next call for the Guard for active service was made by Special Order No. 156, dated August 31st, 1924, in connection with disturbances in the mining field at Cambria Mines near Wilburton, Oklahoma. Pursuant to your instructions, the Adjutant General proceeded to that point, and ordered Colonel Ewell L. Head, 180th Infantry and four enlisted men of that regiment; Major Turner Roark, 45th Division Troops; Lieutenants J. K. Looney, D. J. Perry, and four enlisted men Company ‘A’, 179th Infantry; and Captain Stanley H. Neiswander and twelve men of the Headquarters Battery, 160th M. A., stationed at McAlester, Oklahoma, to report to him at Wilburton, where they were placed on active duty and ordered to co-operate with and assist the civil authorities in the suppression of these sporadic acts of lawlessness which because of labor conditions had broken out in different parts of the mining field.

“It became necessary to continue a part of these troops on duty during September, October, and November, as continual outbreaks occurred and civilians and local authorities demanded the retention of a limited number of the Guard as protection against further lawlessness. All these troops have been relieved and returned to their home stations and conditions in the mining field have so far improved that most of the mines are in operation and the miners are at work.

RACIAL TROUBLE AT BOLEY

“On November 6th, 1924, in pursuance of your General Order No. 26, the Adjutant General, with five officers and six enlisted men, proceeded to Boley and Okemah, Oklahoma, where race feeling had been reported to have been running high, and imminent danger of rioting had led the sheriff to apply for the

National Guard. Investigation and prompt action in accordance with your order resulted in restoring the civil authority and the submission of all parties to observance of civil law.

“This brief summary of the active duty of the Guard in state service covers the period from November 1st, 1923, to December 1st, 1924.”

(4) ECONOMY IN GOVERNMENT

In reviewing the status of our penal, eleemosynary and charitable institutions, I have attempted to point out here and there where we may consolidate and co-ordinate such activities, thus eliminating several institutions that now are a heavy burden upon the taxpayers. I have not attempted to thus cover the scope and activities of our various educational institutions, although these would most certainly seem to present a problem that will grow more acute from year to year, and if not now, then most certainly in the future it will undoubtedly be necessary to eliminate certain of these institutions and to consolidate others, for the resources of this State will not be able to bear this increasing burden for many years longer.

COST OF EDUCATION.

According to the report of the State Examiner and Inspector, education in Oklahoma cost twenty-eight per cent of the entire cost of maintaining and operating the government. This is one per cent more than the cost of maintaining and operating all of our corrective institutions and related activities. Based upon the 1920 Federal census of 2,028,283 persons living in the State of Oklahoma, our per capita cost of education was \$1.84 for the year ending June 30, 1924. We paid \$178,479.72 for educational administration; \$1,834,216.12 for education in our State schools; \$642,150.58 for normal education, and \$1,086,712.79 for agricultural education. In addition to maintaining various State Institutions of learning, the State provided free text books for all of the children in the State and appropriated for the aid of the common schools \$650,000.00 for the fiscal year ending June 30th, 1923, and \$650,000.00 for the fiscal year ending June 30th, 1924.

The State now maintains a Department of Public Education, a State University at Norman, the Agricultural and Mechanical College at Stillwater, the Oklahoma College for Women at Chickasha, the Central State Teachers' College at Edmond, the Northwestern State Teachers' College at Alva, the East Central State Teachers' College at Ada, the Northeastern State Teachers' College at Tahlequah, the Southwestern State Teachers' College at Weatherford, the Southeastern State Teachers' College at Durant, the Murray State School of Agriculture at Tishomingo, the Cameron State School of Agriculture at Lawton, the Conners State School of Agriculture at Warner, the Panhandle Agricultural and Mechanical College at Goodwell, the School of Mines at Wilburton, the University Preparatory School at Tonkawa, the Colored Agricultural and Mechanical University at Langston, the Oklahoma Military Academy at Claremore, the School for the Deaf at Sulphur, the School for the Blind at Muskogee, and the Junior College at Miami. The enrollment for the Fall term, 1924, of these institutions was as follows: University 3,876; College for Women, 626; Central Teachers' College, 1,118; Northwestern Teachers' College, 706; East Central Teachers' College, 1,125; Northeastern Teachers' College, 843; Southwestern Teachers' College, 501; Southeastern Teachers' College, 1,096; Murray School of Agriculture, 257; Cameron School of Agriculture, 267; Conners School of Agriculture, 165; Panhandle Agricultural College, 333; Wilburton School of Mines, 88; Junior College at Miami, 151; Tonkawa Preparatory School, 352; Langston University, 509; Claremore Military Academy, 94; School for the Deaf, 323; School for the Blind, 136.

At most of these institutions, the summer school enrollment exceeds the total of the regular term enrollment. In studying the future of these institutions, we should consider the particular function they are expected to fulfill, the actual service rendered and the comparative cost of each as compared with the service rendered.

STATE BOARD OF MEDICAL EXAMINERS.

The Secretary of the State Board of Medical Examiners in the annual report of that Board recommends several amendments to the present law that should result in a more economic administration of this Board, and with this in view, I recommend that Chapter 59, Session Laws, 1923, be amended as requested in the following suggestions:

1. That the Board be made to consist of Seven members representing the various schools of medical practice instead of Nine, as at present.
2. That the regular meetings of the Board be held every Four months instead of Quarterly, as provided in the present law.
3. That the Board of Medical Examiners be given quasijudicial functions while sitting in hearings for the purpose of revocation or suspension of license and that appeals therefrom be provided in

the same manner as the procedure under which appeals are taken from the Corporation Commission or the Industrial Commission and reviewed by the Supreme Court of the State, and that the Medical license stand revoked or suspended pending the final hearing by the Court.

4. That some special procedure be provided for the revocation or cancellation of the license of the physician who is serving a penalty on a felony or of any offense involving moral turpitude and that the court records be made prima facie evidence in such proceedings and that the license of the physician who in a fugitive from justice for such crimes may be revoked or cancelled upon evidence of guilt.

5. That the provisions of licensure by Reciprocity be extended and placed upon an individual basis of credentials of medical education and preparation rather than upon an exchange of compliments between State Board and that the Board be given powers to recognize the licentiates of the National Board of Examiners when proper application is made and endorsements give by the National Board.

COUNTY EXCISE BOARDS.

If efficiency and economy are to prevail in our governmental affairs, that efficiency and economy must extend from the White House to the school house. This Legislature, however, has to do with this State and its sub-divisions, leaving to the National Congress the accomplishment of that degree of efficiency and economy that is to be desired in the conduct of our Federal Government and its institutions.

Having considered the problems of the State and its Departments and institutions, let us now consider one of the problems of county government, namely, our County Excise Boards.

The County Excise Board as now constituted is composed of elective officials; in other words, the same officials who spend the money of the county also decide how much money they will spend. The argument favoring the creation of such a Board was that these officials would be better acquainted with the needs of the county and the various officials than a Board composed of persons other than such officials. However, we have seen in many instances that this Board has been more interested in making large appropriations than in holding taxes down to lowest level consistent with efficiency and economy in municipal and county government. That we may correct this tendency on the part of Excise Boards, it is suggested that a Board of free-holders, elected by the voters of the county, would perform this duty in a manner that would make for increased economy in local government. This would be particularly true if membership on this Board was made a non-salaries position, and if the taxpayers would take an especial interest in their election. Members thus chosen would be selected because of their qualifications and fitness for the position and not because of political considerations or the attractions of a salary. A Board thus constituted would be particularly interested in eliminating useless expenditure of money in the support and maintenance of municipal and county governments. I urge that you give this matter your thoughtful attention.

SUMMARY.

Since the beginning of the present administration, every possible effort has been made to restore confidence in our public institutions, to practice rigid economy wherever possible without curtailing the efficiency of administration, to enforce all laws and to render efficient and intelligent service to the people. In this program, I have had the loyal support of all of our elective officials; if improvements have been made, each official is in part responsible for such improvements; if economies have been effected your attention is directed to the fact that each official has been a contributing factor to that accomplishment; if confidence has, in a measure, been restored in the State and its institutions, equal credit is due to each and every one of our elective State officials.

In submitting this Message, the preparation of which was handicapped through lack of time and because of many pressing problems that call for constant attention, it has been impossible to cover the field as it might otherwise have been covered, and as I would like to have been able to have presented it to you. Your attention is directed to the fact, however, that I have caused to be filed with respective officials of the House and the Senate a complete financial statement from each Department, Institution and Agency of the State.

You will find in the several reports from the elective and appointive officials of the State much valuable information that will be importance to you in your labors. Had it been possible, this information would have been included in my Message and in many instances you will note that these reports have been used in my various recommendations. I am sure that your Committees will find such reports to be of material assistance to them. For any additional information that you may desire, you may investigate these reports, and if further information is needed, you will find each and every employee of the State at your command.

Yours very respectfully,

M. E. TRAPP,
Governor.

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.