Gentlemen of the Senate and House of

Representatives: It is required by the Constitution that the governor shall at the commencement of each session, and at the close of his term of office, give to the legislature information by message of the condition of the state, and shall recommend such measures as he shall deem expedient, accounting also to the legislature and accompanying his message with a statement of all moneys received and paid out by him from any funds subject to his order, and at each regular session present estimates of the amount of money to be raised by taxation for all purposes. In compliance with these provisions I submit the following message.

STATE FINANCES. Your attention is in the first instance invited to the highly satisfactory condition of our state finances, as shown by the reports of the state treasurer and the auditor of public accounts. Balance on hand November 30, 1882, was. \$ 472,114.50 Amount received. 2,707,276.64

_ Total amount received 3	170 201 14
Total amount disbursed 2	,736,574.15
Balance in treasury Nov. 30, 1884\$	442,816.99
To the amount on hand N	ovember
30th, 1884, is credited to the	
funds as follows:	Beveral
State general fund\$	49,988.35
State sinking fund	27,007.80
Permanent school fund	45,959.64
Temporary school fund	164,836.76
Permanent university fund	2,916.34
Temporary university fund	56,667.87
State bond fund	10,751.15
Insane hospital fund	33,976.47
Normal interest fund	18,043.11
Normal library fund	667.73
Normal endowment fund	957.35
State convict fund	3.36
State library fund	284.00
State funding fund	67.25
Saline land lease fund	3,808.45
University library fund	975.00
Capitol building fund	11,723.07
Interest charged county treasurers	657.49
Interest on surplus investments	13,531.25

Total as above.....\$442,816.99 As will be seen from the treasurer's report, the balance of \$657.49 interest charged county treasurers, and the balance of \$13,531.25 interest on surplus investments are unavailable, and should be transferred.

STATE DEBT.

State indebtedness is represented by the following bonds: State relief bonds, due March 1, 1885..\$ 50,000 00 State funding bonds, due April 1, 1897. 449,267 35 Total state debt......\$499,267 35

By the act of 1877, in the matter of payment of principal and interest of state relief bonds, it was provided that payment should be made from the sinking fund, and in order that said bonds may be paid promptly, it is recommended the state bond fund, together with the amount hereafter collected, be transferred to the sinking fund, and thus made available for the purpose for which it is collected.

REVENUE AND TAXATION.

The assessed valuation of the taxable property of the state in 1883 was \$110,-543,644.58, and in 1884 it was \$123,615,-886.95, showing an increase of \$13,072,-242.37. The rate of taxation for state purposes for the year 1883 was 7 4-10 mills, and for the year 1874 7 556-800 mills on each dollar valuation, and there has been collected during that period the sum of \$1,307,123.05, distributed as fol-

General fund\$ Sinking fund Common school fund University fund	931,037 19 93,065 34 206,584 81 76,434 71
Total	
General fund, 4 82-100 mills	91,811 91 123,615 85 46,355 94 61,807 95

Total.....\$951,875 09 Your notice is directed to the auditor's statement showing amount of taxes delinquent with the hope that you in your united wisdom may succeed in devising some plan for the better collection of the revenues, and without imposing unnecessary burdens upon the people.

There is a general demand that the law of 1883, making taxes delinquent January 1st of each year, and providing for a penalty of 5 per cent, shall be repealed. I would cite for your examination the revenue laws of the states of Ohio and Indiana. The law of the last named state provides that any person charged with taxes on the tax-duplicate in the hands of a county treasurer may pay the full amount of such taxes on or before the third Monday in April, or may, at his option, pay the first installment on or before such third Monday, and the remaining installment on or before the first Monday of November following. Providing that all road taxes shall be included in the first installment, and that in all cases where the first installment shall not be paid on or before the third Monday in April, the whole amount unpaid shall become due and be returned delinquent with proper penalties added. This plan is that of semi-annual pay-ment. A division of the burden. Taxes are defined as being the enforced proportional contribution of persons and prop-erty, levied by the authority of the state for the support of the government, and for all public needs. Applying this def-inition to our own case, and we will all agree that best legislation upon the matter of taxation is that which, while it state government, will at the same time, as far as it may with safety be done, lighten the burden to him who so con-

In relation to the present management of the public institutions of the state it may be said that without an exception they are in excellent hands.

HOME FOR THE FRIENDLESS.

The act o 1881, providing for the erection of a home for the friendless, was carried into effect by the purchase of a the state penitentiary. My action in this site near the city of Lincoln, and the matter was determined by letters filed by erection of a building thereon. The gov- the judges of the supreme court, who ernment of the home was assumed by the were unanimous in recommending that society of the home for the frieudless, such action should be taken, and with and is now under the active care and the opinion that I would not be warmanagement of a board composed of ear- ranted in disregarding a recommendation P nest, practical Christian women, who, coming in such manner and from such a with well directed energy, are striving to source.

make it what it should be. The home In the was opened to receive inmates January 1, 1882, and since that time has received, adults 95, children 133, making a total of 228. There have been surrendered to fined \$150 for the crime of selling inthe home 75 children, and of this number toxicating liquors without a license. It

57 have been placed in good homes in appearing later that the facts were not this state. An appropriation is asked for fully understood, and that he was en-by the society in charge for the purpose titled to relief upon the merits of the by the society in charge for the purpose of erecting and furnishing additional buildings, and to aid in the maintenance of the home. In my judgment their request to a reasonable amount should be granted. It must be remembered that the title to this property remains in the state. A visit to this institution will convince you of its utility and worth.

DEAF AND DUMB INSTITUTE, AND FEEBLE

MINDED CHILDREN. Organized in April, 1869, this institution has since that time received for instruction 211 pupils. For the last biennial term there has been a reported attendance of 141. The health of the students has been good, and the methods of instruction the same as heretofore reported. When we consider the available means and accommodations at his command, the condition of this institution under the present management is admirable. Instruction in the trades, printing, carpenter work, sewing, fancy work, and housework, is still continued and funds are asked for to place the trades upon a more efficient basis looking to the power of self-support upon the part of those receiving instruction. Your attention is called to the deficiency of \$6.-500 in the appropriation for this institution for the year ending March 31st, 1885, in the matter of wages of employes. Attention is called to the frequent applications for the admission of "feeble minded" children to this school, a class who are not fit subjects for a deaf mute school. By reference to the census of 1880 it is shown that we had at that time 356 persons classed as feeble minded, 209 of whom were under 20 years of age. The state has undertaken to care for the insane, the blind, the deaf and dumb. In view of these facts, together with the experience of other states in this work, I am prompted to call your attention to the importance and urgency of this claim, and the advisability of making some provisions in Nebraska for this helpless class.

INSTITUTE FOR THE BLIND.

The total number of pupils received at the institute for the education of the recommends the building of a new inblind from the date of its opening in stitution as preferable to increasing the January, 1876, until the present time is 60.

The building was intended to accommodate fifty persons, and there has been an attendance of thirty-six pupils during a whole and not by sections, as being the biennial term just closed. Of those who would be admissible under the rules, and residing in the state, there are but five known to the superintendent who are not in the school. The term is reported as one of general prsoperity. The health of the students has been excellent, and in the several departments of study, consisting of literary, musical, and industrial, commendable progress has been made. This school in its work in the literary department will compare favorably with those of like character in other states. All receive musical instruction and the more thorough each year. An exhibit from the industrial department has been suffering from temporary mental desent to the New Orleans exposition. The | rangement, and not a lunatic asylum, a lature have been ample in every respect, or chronic insane. And it is further be granted. In all matters relating to and in the item of living expenses there | urged that in a new state like our own the will be a small balance returned to the treasury. Appropriations are asked for, governing the matter of water supply and improvements to buildings and grounds, in addition to the general support of the institute, and should be granted.

STATE PENITENTIARY.

Needed improvements have been made at the state penitentiary during the past two years, under the direction of the warden and board of public lands and buildings, among which, and worthy of special mention, are the erection of a fire-proof hospital building, a more perfect water supply, and a thorough change in the system of sewerage and drainage, greatly improving the sanitary condition of the prison. Discipline is thoroughly maintained, the government being kindly, yet at the same time firm. The medical supervision is excellent, and the state of health among the prisoners is good. Under the contract system, the convicts are furnished steady employment, and their wants are well supplied by the present contractor.

Warden Nobes, in his report of Nov. 30, 1882, gave the number of prisoners as 261. Since that time there have been discharged 131, the number received being 178. The total number confined in the penitentiary Nov. 30, 1884, was 259, and of that number twenty-three are under sentence for life. Pertinent to the subject in hand, and to which I will, in passing, call your attention, are the questions of the inequality of sentence as proportioned to the crime or the circumstances under which it was committed, as we have so often seen; and that of indeterminate sentence, the advocates of which proceed upon the theory that the purpose of the law being to reform, we should in all cases, other than those meriting death or imprisonment for life, take into consideration both the antecedents of the criminal and his conduct after sentence. This principle we have in a measure recognized in the enactment of what is known as the Good-time Act, and I may add, that legislation is rapidly becoming more liberal in this direction.

PARDONS, COMMUTATIONS, AND REMIS-

SION OF FINES. The pardoning power vested in the executive has been exercised by me in but one instance, that of Jacob Smith, of Polk county, convicted for the offense of shooting with intent to kill, and sentenced to the state penitentiary for the term of one year. Entering upon his sentence February 5, 1884, and a pardon issued the 20th of September, of the same year. In this case, the provocation to crime was great, and while it does not justify, yet serves to extenuate, and my action in the premises was based upon the petitions of a large number of shall meet the wants and needs of the the citizens of said county, fourteen members of the grand jury by whom he was indicted, and upon the recommendation of the prosecuting attorney and the district judge who passed sentence

> The power of commutation has been used by me in two cases, viz: George Hart, under sentence of death, from Hall county, and John R. Polin, under sentence of death, from Cass county. In these two cases the sentence of death was changed to imprisonment for life in

have acted in but one instance. At the D October term, 1882, of the Gage county district court, one C. E. Gifford, was

case, the fine was remitted upon the re:ommendation of the judge who imposed

The pardoning power is to be used prudently, sparingly, and conscientious-ly. Stand between society at large, the people of the state, and those who are under conviction and sentence for transgression of its laws, I have striven to so act, and am fully justified in this connection in saying that the attorney who prosecutes upon the part of the state, and the judge who after hearing the evidence adduced upon the trial of a cause passes sentence, should be slow indeed, either by petition or letter of recommendation, to embarrass in any degree the action of him in whose hands this power is placed, and upon whom in the full and faithful discharge of duty. the sole responsibility

HOSPITAL FOR THE INSANE. This most unfortunate class are entitled to our deepest sympathy, and to our constant care and watchfulness, that so far as may be possible their condition shall be improved.

From the report of the superintendent for the biennial term ending November 30th, 1884, it appears that at the date of last report, November 30th, 1882, there were remaining in the hospital 273 patients. There have been received during the past two years 410 patients, making a total number of 683 that have been treated during this period. Of the number treated 323 have been discharged, 144 of whom were restored to mental health, 69 were much improved, 63 unimproved, harmless and incurable, were returned to their counties to make room for recent cases, 43 have died during the two years, leaving in the hospital No-vember 30th, 1884, 360 patients, which exhausts the utmost capacity of the present building. At the rate of increase for the past two years, it is estimated by the superintendent that not less than 600 applications for the admission of patients will be made during the coming two years. Additional room must be furnished by the state. The superintendent size of the present one, and advises that the new hospital should be as as the one we now large and that it be erected as have. nore economical, and for the further reason that it will be needed by the time it can be completed. These recommendations are concurred in by the commissioners of public lands and buildings, and have my approval, as do also the requests for special appropriations for needed improvements. Your attention is called to the large amount due the hospital from the several counties having patients chargeable thereto, in many cases the delinquency being of long standing.
It has been urged upon me that our

work in this department is becoming hospital is, as its name implies, a place for the treatment of those who may be place for the confinement of the incurable counties are not prepared to care for them in a proper manner, and that special provision should be made for this class of patients instead of returning them to their respective counties to make room for more recent cases, as is done under the present system. The thought is submitted that the care of the insane is a burden that should be assumed entirely by the state, for the reason that proper care and treatment cannot be or is rarely given them in what are known as county houses, that are intended more especially for the care of the needy poor.

> THE STATE REFORM SCHOOL. Under the law regulating the management of this institution, boys and girls under 16 years of age found guilty of any crime except murder or manslaughter may be received. The school was established and intended, not for punishment, strictly speaking, but rather for education and reformation. A place of restraint and correction for those for whom such treatment may suffice to restore them to an upright life and fit them for future usefulness. Standing between the youthful offender and the institution prepared for and which should receive hardened criminals, the interests of society demand that a liberal policy should be pursued in carrying out and promoting the objects for which it was created. The school has, at the present time, sixtythree inmates. In August, 1883, the contract was let for an additional building, at a cost of \$37,410. This building has been completed, and is now ready for use, and I am informed that applications for admission now on file will exhaust the inc. eased accommodation so furnished. I would impress upon you the great importance of the work we have undertaken in the organization of this reform school, and would recommend for it all reasonable support and encouragement.

EDUCATION. Nebraska is justly proud of her common schools, and much of their efficiency is due to the wise planning and well directed effort of our present state superintendent of public instruction. The following statistics will be found of interest as showing the development of our state in the direction of her dearest educational interest, the common school: Total number children of school age, 209,403; boys, 108,998; girls, 100,405. Total enrollment, 137.618; boys, 71,-680; girls, 65,938. Total number of teachers employed, 6,055; males, 1,906; females, 4,144; school houses built in 1884, 309. Total number school houses, 3,662. Total value school property,

The present permanent common school fund is as follows: Cash in treasury November 30, 1884..\$ 45,953 64

	State Ithiums bonds
1	Registered county bonds 762,600 00
	Mortgages 4.000 00
	U. S. 4 per cent bonds 15,000 00
	Claims in hands of attorney-general
	for collection 21 900 00
	Notes from saies of school lands 2,801,495 80
	Total\$3,977,216 81
	The following statement of the tem-
	porary common school fund will show the
	porary common concortant win card the
	sources of revenue to this fund, the
,	amount apportioned since December,
	1882, and the dates of the several appor-
	tionments:

alance in treasury November 30th, 1882	170,457 43 206,584 81 262,993 75 271,646 73 109,058 73 487 20
Total received	,021,228 65 856,391 89
Balance rovember 30th, 1884\$ December, 1882 une, 1883 une, 1884 December, 1884	164,836 76 170,507 10 200,096 48 182 384 26 303,404 35 164,804 85
	091 107 NA

uniformity of text books in our common schools, and if such result can be effected, it will prove a source of great benefit to the people.

STATE NORMAL SCHOOL. The attendance at the state normal chool during the past two years has been 470. Number graduated, 89; the greater

number of whom are now engaged in teaching in the schools of the state. This school is constantly growing in public favor, the attendance for the past two years being 20 per cent greater than for any like period in its history. The entrance fee of five dollars for each student is placed in the state treasury for the use of the normal library, and is paid out upon the warrant of the normal school board. An act of the legislature appropriating the money so paid into the treasury is necessary to make it available for the purpose intended. The library at this time numbers over two thousand increasing attendance creates a necessity tion is asked for that purpose. Trained mon schools, its object and purpose being to educate teachers. The beneficial results of this work are felt among the common schools of the state, in which the great body of the people are directly interested, and for that reason it should receive your abundant care.

STATE UNIVERSITY. This institution is to-day better fitted for its work, and is filling its place in the educational system of our state with more vigor and general efficiency than at any previous time in its history. At the

meeting of the board of regents, December 18th, 1883, a chancellor was elected, his term of office to begin January 1st, 1884. A much needed want was thus supplied, and the unfortunate controversy, standing for so long in the way of the best interests of the university, has been forgotten in the new era of prosperity, which is the result of harmony of purpose between the chancellor and

other members of the faculty. The attendance during the last term in | report. all departments was 282. In accordance with the provisions of "An act to establish the university of Nebraska," approved 15th, 1869, a college of medicine. was added. There are at present 54 students in attendance. The college of medicine should be well sustained; and as soon as practicable, provision should be made for the addition of a college of law, as contemplated by the organic act. The industrial college has been reorganized throughout. This department of

the university will now take its proper rank, and in point of relative importance should stand second to no other. An experienced stock grower and farmer has been secured as superintendent of the industrial college farm, the management of which had hitherto been in the hands of the faculty, and the change of system has already proven highly beneficial. The various recommendations of the board of regents contained in their biennial report are referred to you. Their our educational interests the state should bestow with a liberal hand.

ESCHEATED ESTATE. It is provided by the constitution and statutes that all property that may come to the state by escheat shall be managed by the governor and superintendent of public instruction, and the proceeds thereof be placed in the permanent school fund. Official notice was received from the county judge of Kearney county in the matter of the estate of Peter Anderson, deceased, proceedings had been closed in that court, and after diligent search for kindred by publication and otherwise none had been found, and that after the payment of the just claims against the estate there remained in his hands a balance of two hundred and forty-six dollars and sixty cents (\$246 .-60), which sum has been turned over to the state superintendent, and by him paid into the state treasury as required by law, the treasurer's receipt for the same, together with all papers relating to the settlement of said estate as furnished by the county judge of Kearney county, remaining on file in this department.

SECRETARY OF STATE.

The secretary of state calls attention to the need of increased clerical force in his department, made necessary by reason of his duties as ex-officio secretary of the several boards. Also recommends a graded fee in the matter of filing articles | force are taking an increased interest, other valuable suggestions ralating to the printing laws, registration of bonds, and them in this matter. matters ef general interest.

AGRICULTURE AND HORTICULTURE. Agriculture is the leading and most important industry of the state. You will carefully guard its interests in all them, or that large class of people whose vocation it is to till the soil.

An examination of the report of the state board of agriculture, which gives a detailed statement of their proceedings, plainly shows that their work has been well done, and that the aid given this board has been well bestowed. While the prices received for our farm produce are not as remunerative as at other periods in our history, yet, speaking in general terms, our agricultural interests, as shown by crop statistics, were never in a more prosperous condition than at the present time,

The horticultural interests of the state are in a flourishing condition, and it has been established beyond a doubt that making an appropriation for the contin-Nebraska is a fruit state. The matter of successful fruit culture is one that enters largely into the economy of home life, and I am safe in saying that no one thing has done more to attract favorable attendisplays made by our horticultural society which, in the majority of cases, they have received for Nebraska the first prize your fostering care as most serviceable, she may justly aspire.

NEBRASKA STATE HISTORICAL SOCIETY. By an act of the legislature, approved Historical society was recognized as a state institution, and by the terms of said act it was provided and made the duty of the president and secretary to make annual reports to the governor, said reports to contain the transactions and expendies of the of of \$500 for the use of the society, to be used exact status of the several cases.

and relics, for the benefit of the state. The appropriation having been ex-hausted, the publication of the reports of this society could not be had. I would recommend specific appropriations in the matter of printing and publishing in addition to the amount named for incidental expenses, much valuable matter having been collected. The acquisitions of the society are becoming constantly larger, and are increasing in value rapidly. Great care should be taken to preserve what has been gathered at such expense of time and labor. To the end that our historical collection may become such a source of attraction and interest as it of right should be, a room in the capitol building should without delay be set

apart for their use. FISH COMMISSION.

The work pertaining to the office of fish commissioners is in practical and economical nands. Needed improvecarefully selected volumes. The rapidly ments at the fisheries, in the making of new ponds, spawning race, and repairs for additional room, and an appropria- to the old ponds, have largely increased the facilities for successful handling. teachers improve and influence others | The matter of stocking the streams of our with whom they come in contact. This state with valuable food fish is progressschool is an important aid to our com- ing favorably, with a comparatively small outlay of money, and the distribu-tion of fish to private parties who have prepared ponds for their reception has been quite general. Intelligently conducted this branch of industry has proven successful and profitable. All measures calculated to increase the food resources of the people are entitled to great consideration.

STATE LIBRARY.

The number of volumes in the library. as shown by the biennial report of the state librarian, covering the years of 1881 and 1882, was 21,487. The number of volumes in the library, at the present time, as given in the biennial report for the years 1883 and 1884, is 23,308, making an increase for the last two years of 1,821 volumes.

The library is in good order, a catalogue having been completed, and many valuable additions made. For a statement of its management, wants, and needs, you are referred to the librarian's

INSURANCE OF STATE PROPERTY.

By section six (6) of chapter eightytbree (83) of the compiled statutes, the governor is authorized and empowered to insure the public buildings and other property belonging to the state liable to destruction or injury by fire. The legislature of 1883 appropriated for insurance of public property the sum of \$10,000, as recommended by my predecessor. An appropriation of \$15,000 is recommended for the ensuing two years, \$8,000 of which will be needed for renewals of existing policies before an appropriation by a succeeding legislature will be available; the balance to be used in placing insurance upon the central or main portion of the capitol building, and for such additional insurance as may be deemed advisable upon other state property. In the appendix submitted herewith will be found a full and accurate statement of policies in force at the present time. Contemplative insurance will exhaust the small balance of appropriation heretofore made.

MILITIA.

The present condition of the Nebraska National Guard is clearly shown by the very full report of Adjutant General E. P. Ro. gen, which embodies the reports of Inspector General Major Franklin Sweet, Quartermaster General Cyrus N. Baird, and Leonard W. Colby, colonel commanding 1st regiment, and as appears from these various reports, the command is in excellent shape and has sustained and improved upon its high standard of efficiency. As at present constituted, the guard is composed of nine companies of infantry and one company of artillery. The law requiring that an encampment shall be held at least once in two years has been complied with, an encampment which was in every respect a successful one having been held at Crete, Nebraska, August 21, 1883, and continued for four days.

The adjutant general recommends that provision should be made for the holding of annual encampments, and that the appropriation for the support and maintenance of the state militia should be increased to at least \$5,000 per annum, which recommendations I cheerfully endorse, believing that it is for the best interests of the state this organization should be encouraged and strengthened. Neighboring states, recognizing the need of a properly disciplined and well armed of incorporation, together with many and are placing their militia upon a per-other valuable suggestions ralating to the manent basis. We should not be behind

CAPITOL BUILDING.

The contract for the erection and completion of the main building of the capitol was after duly advertising as required by the act of Feb. 24, 1883, providing for matters that may in any manner affect | the erection of said building, and the levy of one-half of one mill on the dollar, and the appropriation of the moneys arising from said levy to pay for said building, awarded by the board of publie lands and buildings on the 9th day of July, 1883, to W. H. B. Stout, for the sum of \$439,187.25, the building under the terms of the contract to be completed by the first day of December. 1889. The contractor filed his bond in the sum of \$300,000, which was approved by the governor and the work was entered upon under the plans and specifications adopted by the board and furnished by W. H. Wilcox, the architect of the plans for the east and west wings now completed. With you rests the duty of uance of the work.

CENSUS.

Your attention is called to the necessity of passing a law and providing tion to our state than the magnificent means for the purpose of carrying into effect the provisions of section two (2) of at the different competitive exhibitions in article three (3) of the constitution, in the matter of a census, wherein it is made the duty of the legislature to provide for for their display of fruits. 'he agricul- an enumeration of the inhabitants of the tural and horticultural societies deserve state in the year 1885, and every ten years thereafter. Results reached under agents in developing our state, and as the present law requiring precinct assesaids to placing her in the rank to which sors to make an enumeration of the total number of persons residing in the several precincts of each county, each year, are far from being satisfactory. Best results will be reached by the appointment Feb. 27, A. D. 1883, the Nebraska State of special enumerators, and to their duty as such might be added that of collecting statistics of a general nature, such as would be of interest and importance as showing our development and resources.

STATE LITIGATION.

The attorney general in his report all historical addresses read or furnished makes a detailed statement of all cases as historical matter, said reports and ad- now pending and those disposed of in my proclamation ordering that an dresses to be published at the expense of which the state is interested. The election be held for the election of county the state; and by the terms of this act schedules hereunto attached, and marked officers, and for the location of a county there was appropriated annually the sum "A," "B," and "C" will show the seat, respectively, in the counties of Gar-

under the direction of its officers exclu- I would call special attention to the re-

to the general recommendations therein

NATIONAL LINCOLN MONUMENT.

By an act of the legislature approved February 23d, A. D. 1883, there was appropriated the sum of five hundred (\$500) dollars to aid in the completion of the national Lincoln monument, at Spring-

field, in the state of Illinois. I would hereby report that in conformity with said act a warrant was drawn on the treasury for the amount named, payable to the governor, and that a draft for the amount so appropriated was forwarded to the chairman of the executive committee of the Monument association, and the receipt of same by him acknowledged.

MONEY RECEIVED FROM THE GENERAL GOVERNMENT.

The governor is by law made the agent to receive from the United States all moneys that may be due the state, and as such agent I have received drafts for the following named sums, which have been placed in the treasury to the credit of the permanent school fund as required by law, and for which I hold the receipts of the state treasurer. In the month of September, 1883, \$11,746.67, being for the five per cent upon sales of government lands in Nebraska. In the month of June, 1884, \$17,495.95, being five per cent upon the net proceeds of the sales of lands within the limits of the state of Nebraska heretofore embraced in the Pawnee Indian reservation. In the month of November, 1884, \$485 upon claim of the state for expenses incurred in suppressing Indian hostilities.

CLAIMS AGAINST THE STATE REPORTED TO THIS DEPARTMENT.

Of the amount by me reported as received from the United States for expenses incurred by the state in suppressing Indian hostilities, twenty-five per cent is claimed by Patrick O. Hawes for services as agent of the state, said service being rendered, as he sets forth, by virtue of a contract entered into between Mr. Hawes and Acting Governor W. H. James in 1872. which contract he insists is still in force. The last legislature would seem to have so regarded it, as a claim by him made for similar services was included in the act making appropriations for the payment of miscellaneous items of indebtedness owing by the state. This case is referred to you for such disposition as may seem proper. Filed in this office and audressed to

me as governor is a report entitled, "Report of T. P. Kennard, state agent for the prosecution and collection of claims. of the State of Nebraska against the United States," said report being intended as an argument in support of Mr. Kennard's claim against the state, as will more fully appear. From the state-ments therein contained and the report of the state treasurer, I find that in September, 1882, there was in the state treasury \$6,275.89, being the 5 per cent upon the net proceeds of the sales of land embraced within the Pawnee reservation, against which Mr. Kennard filed his claim for 50 per cent of that amount. ne records of the proceedings of the legislature of 1883 show that a bill was reported making an appropriation of the sum claimed, the bill passing both house and senate, but through neglect did not receive the signatures of the officers of the house and senate, and thus failed tobecome a law. Since that time there has been received \$17,495.95, making a total amount of \$23,770.42, against which Mr. Kennard files his claim for \$11,885.21, being the amount due him by the terms of the contract under which the services were performed, as set forth in the report. The legislature of 1873 by joint resolution authorized the governor to appoint an agent or agents to prosecute to a final decision certain claims of this state, the compensation to be agreed upon between the governor and agents so appointed, payable after the collection of said claims in whole or in part. The governor, by virtue of the power conferred by this resolution, entered into a contract for the state with Mr. Kennard, wherein Mr. Kennard, as provided by the contract, agreed to prosecute these claims, and was to receive for his services 50 per cent of the amount collected. In view of the entire record in this matter, and without discussing the question as to whether the contract was or was not a provident one upon the part of the state, I venture to suggest that it would be in furtherance of the idea that the obligation of the state is no less sacred than that of an individual, as well as be-

ing in the line of economy to cancel this claim in full, stipulating, however, for a full and absolute release from further obligation under said contract, and all contracts with collection agents, as it would seem that the time had been reached when Nebraska, through her senators and representatives in congress, could be fully protected in her interests in this regard.

NEW COUNTIES ORGANIZED. Since the last session of the legislature,

the necessary papers have been filed in the executive office, asking for the organization of the counties of Loup, therry, Brown, Dundy, Sioux and Hayes. Proclamations in form required by the

statutes have been issued, providing for the organization of the counties named above. Organization has been perfected or is now progressing in all save and excepting the county of Sioux, in which county the parties commissioned as temporary officers having refused to serve as such, and no further action having been taken by this department, the county of Sioux remains unorganized.

FORMATION OF NEW COUNTIES OUT OF EXISTING COUNTIES.

Pursuant to the provisions of chapter 18, sections 10 and 11 of the compiled statutes, relating to the formation of a new county out of one or more of the then existing counties, it has been certified to me by the honorable the secretary of state, that on the 8th day of November, 1881, the majority of the electors of the county of Wheeler at a general election then duly held, voted to form a new county of said county of Wheeler, to be known as Garfield county; and that on the 4th day of November, A. D. 1884, at a general election then duly held, the majority of the electors of the county of Brown voted to form a new county of said county of Brown, to be known as Keya Paha

The constitutional and statutory requirements having been fully complied with, I have, by virtue of the authority in me vested by the statutes of Nebraska in such case made and provided, issued

field and Keya Paha. GEOLOGICAL SURVEY.