a Number of Recommendations.

SECTION TWO

A SMALL DEBT.

In considering the uncollected taxes it is to be borne in mind that a very considerable part will probably never be paid into the state treasury. While these conditions are not what we would like to have them, and realizing that they have been brought about by extravagance and needless expenditures, and by excessive appropriations covering a series of years, it is yet quite apparent that the indebtedness of the state of Nebraska is comparatively light. It is no greater than that of many light. It is no greater than that of many other states whose opportunities for creat-ing a large bonded indebtedness are not restricted by the fundamental law as ours. It is interesting in this connection to study the grand assessment roll of the property of the state returned for taxation, showing the total assessed valuation thereof,

Tor s	sev	era	l yea	irs,	as :	follo	ws			
1890	100							1	184.770.3	304.5
1891	**								183,138,5	236.2
									186,432,3	
1893									194,733.1	24.7
1894									183,717,	198.7
1895									171,468,2	207.4
1896									167,078,2	270.3
T	1e	cer	SIIS	of	189	0 8	llan	laca	a that	+1-

value of property of the citizens of this state is estimated to be \$1,275,686,514, and the actual value of the assessable property in the state at this time must be considerably more, and yet, as shown by the assessed valuation of all taxable property for the year 1896, the valuation is placed at but little over one-eighth of the cattell. at but little over one-eighth of the actual value based on the census returns of 1890. THE GENERAL FUND.

THE GENERAL FUND.

The large amount accumulated in the general fund mentioned above, \$589,370.39, is one of the features seemingly calling for some comment. It is difficult to understand why this large sum should be always to accumulate in the state treasure. lowed to accumulate in the state treasury with so great amount of outstanding war-rants unsatisfied. It would naturally be expected that such a considerable sum as this would have been applied to the reduc-tion of the state's indebtedness as rapidly as it accumulated, as is provided by law, and demand in the exercise of prudent business management in the discharge of a public duty. In defining the duties of the state treasurer, the law provides that he is "to disburse the public moneys upon warrants drawn upon the state treasury according to law and not otherwise." It is also povided in section 1, chapter 93, that "all warrants upon the state •

that "all warrants upon the state shall be paid in the order of their presentation therefor." Section 4 provides that "it shall be the duty of every treaspackage the money for the payment of each registered warrant, in the order of the registered warrant, in the order of the registration. As soon as money sufficient for the payment of such warrant is received to the credit of the particular fund upon which the same is drawn and fund upon which the same is drawn, such package shall be indorsed with the num-ber and description of such warrant, and the name and address of the person in whose name the same is registered, and interest upon such warrant, shall thereupon cease, and such treasurer shall by

upon cease, and such treasurer shall by mail immediately notify the person in whose name the same is registered and shall indorse the date of the mailing of such notice upon such sealed package."

Thus it will be observed that it was the intention of the legislature that no fund should be allowed to accumulate when there were outstanding warrants drawn against such fund, and that as soon as sufficient money should be paid into as sufficient money should be paid into the state treasury to satisfy each warrant in the order of its registration, that interest thereon should cease and the state be thus relieved from further liability on ac-count of accruing interest. While it may be said that a literal compliance with the provisions above mentioned would be very difficult because of the great volume of business carried on in connection with the work of the state treasury, yet its spirit could be fully complied with by making prompt payments on general fund war-rants as rapidly as funds accumulated in the legislature, both in letter and spirit, seems to have been entirely ignored and the general fund, against which a large amount of outstanding warrants has al-ways existed, allowed to accumulate to the extraordinary amount of over half a million collars. This method of disposing of the state's business put an additional of the state's business put an additional burden upon the taxpayers by the accu-mulation of a large amount of interest on the unredeemed warrants thus neglected. It also endangers the state's interests through the possibility of losses of money, which could properly have been disbursed in cancelling this indebtedness as rapidly as possible. The suggestion that the state is resulting. receiving interest on the money thus allowed to accumulate in this unusual manner may properly be met with the statement that such interest is only at the rate of 3 per cent per annum, while the state's warrants are drawing 5 per state's warrants are drawing 5 per It may further be said that it is the duty of the state, through its repre-sentatives, to liquidate its indebtedness as rapidly as funds accumulate in the collection of revenues for that purpose and there-by enhancing the value of its own obliga-tions. Likewise, to the suggestion that it has been a critical period for the banks of the state, as well as for business interests of all kinds, it can be replied that the state is under no obligations and that in fact, it is a pernicious doctrine to hold that the public revenues may be used for the purpose of strengthening any private interests or enterprises of any character, and especially so where there are superior claims against such funds upon the part cialms against such funds upon the part of the creditors of the state. The state is not supposed to use its revenues for the purpose of entering into the banking business or to deposit its funds upon any other theory than that they are to be used by the depository only when not re-quired by the state in the ordinary course of its business. It is to be further ob-served that this fund at one time was within reasonable limits, not exceeding, according to the report of the state treasurer on the first of January last, the sum of \$52,735,91. Under no process of reason-ing can I understand why this further and larger sum should be deposited and allowed to accumulate to the enormous deposited and amount mentioned with obligations of the

A CHANGE NEEDED.

I am of the opinion that there should be a very radical change inaugurated in the conduct of the financial interests of the state and prompt measures taken to place the state's finances upon a solid footing, as much so at least as surrounding con-ditions will permit. The accumulated general fund should be promptly applied to the extinguishment of the indebtedness against it. Whether there are legal obstacles which would prevent your refunding the indebtedness above mentioned con-tracted prior to the adoption of the present constitution, I am unable to speak advisedly. If it could be done, I would suggest the advisability of refunding all the bonded indebtedness of the state at a rate of interest not exceeding 4 per cent per annum. The issue of such bonds would

make a very desirable interment for the

state pressing for payment and the value of its obligations constantly depreciating,

and then, after such large accumulations

are permitted, to have the matter ex-plained by the suggestion that these funds

could not with safety to the business inter-

ests of the state be withdrawn from the

idle permanent school fund. Tals would permit the transfer of the sinking fund accumulated and created for the extin-guishment of this bonded indebtedness to the general fund. In addition to this you the general fund. In addition to this you will have the power, as I view it, to authorize the issuance of bonds in the sum of \$100,000 to meet a part of this indebtedness. Provisions of this character would reduce the amount of outstanding warrants very materially and place the state in a much better condition.

There are a number of other funds of smaller amounts which perhaps can be utilized in bringing the state nearer a cash hasis in the transaction of its busi-

cash basis in the transaction of its busi-ness. I trust that after a full consideration of this important matter you may be able, by the adoption of some plan, to make satisfactory arrangements for promptly meeting all of the state's indebt-edness, both bonded and floating.

Revenue Laws.

It seems imperative that some action should be taken by the legislature pro-viding for a better method of levying viding for a better method of levying and collecting the revenues necessary for the proper conduct of the governmental affairs of the state. The imperfections and laxity of the provisions of the pres-ent law for levying and collecting taxes ot meet current expenditures, and the still greater laxity in enforcing these im-perfect provisions of law, have brought us face to face with a condition of affairs that renders it impossible to conduct the business of the state without much embarrassment, needless sacrifices and ever-increasing floated indebtedness. Any wise financial policy requires, in my opinion, the collection of revenues sufficient to promptly meet expenditures necessary to be made in the conduct of the state's business. Any other plan ultimately works increased hardships and renders excessive the expenses of state government, because of the uncertainty respecting the satisfaction of the obligations created. The very fact that property is assessed at so much less than its true value, ren-ders it very probable that great ine-quality exist sin distributing the burdens of taxation. The man of moderate means is doubtless assessed for much nearer the true value of his property than the individual having large property interests, and, while the approximate percentage of the assessed valuation, as compared with the actual valuation of property, is but little less than one-eighth, it is more than probable that the taxpayer with small means and whose property is easily ascertained, pays much nearer one-third of its value, while other large property interests escape with an assessed valuaof the actual value.

It appears to me there are two prin-

cipal objects to be secured in obtain-ing public revenues in support of government. The first is that property of every description, except that which is especially exempted by law, shall be subject to the same burden of taxation according to the same burden of taxation according to its value, and this rule should be in-voked with absolute uniformity, and with ample provisions to prevent any assessable property from escaping tax-ation. Second, these burdens should only exist to the extent necessary to support the government administration with honekty and rigid economy. When these two objects have been accomplished, in what-ever manner it may be deemed best, there is no just reason for complaint upon the

our law provides that personal property shall be assessed at its fair cash value, and real estate, other than lease-hold estates, at its fair value, estimated as the price it would bring at a voluntary sale • • one-third cash and bal-ance secured by mortgage upon the prop-This, as every one knows, is not done, but on the contrary, the less value placed on the property for assessment purposes by the officer having in charge this branch of business, seems to render him much more popular than if he had performed his full duty and assessed the property as the law provides. Just how far this state of affairs can be remedied and what provisions, if any, should be made looking towards a more stringent enforcement of the law as now existing or a revision thereof, is for you to determine. If property be assessed at too low a valuation, the rate of the tax levy is correspondingly increased. The system of low valuation and high leves creates an erroneous impression in the minds of mahy regarding the property values and the seemingly heavy burdens

of taxation in the state.

FAIR ASSESSMENT. valuation would ceedingly small, as well as give less opportunity for undervaluation, because of the more fixed and certain standard obtaining, the one and only question being, whether the property has been assessed at a fair value. It is doubtless true that a constant and continued decrease in assessment values has been caused in order that one community or county might not be compelled to contribute more than its just proportion to the state's revenues constant struggle is continually going on among assessing of-ficers to value their property as low or lower than the valuations placed by any others. It is also quite apparent that the low assessment of prop erty is some protection to the people in order to prevent extravagance in the conduct of the business of disbursing the public revenues. With a low assessment and limits as to the rate of the levy, the people have some protection against wanton extravagance by those who are charged with the duties of managing the people's business in different capacities, where the disbursement of revenues forms an important part of their duty. In investigating this subject, I have secured a great deal of valuable information from other states, which I will take pleasure in placing at the disposal of this body or any committees which you may select to consider this important subject.

EQUALIZATION.

I also, in this connection, desire to call your attention to the provisions of law respecting the method of levying and equalizing the value of property assessed for the purpose of raising revenues for state expenditures. The law provides that the governor, state auditor of public accounts and treasurer "shall constitute the state board of equalization • • • and it shall be the duty of said board to examine the various county assessments, and to decide upon the rate of the state tax, the state school tax, the state sink-ing fund tax, to be levied for the current year, together with any other general or special taxes required by law to be levied and to equalize and make the levy of such taxes throughout the state; but such equalization shall be made by ing the rate of taxation on the different counties in case the said board of equalization are satisfied that the scale of valu-ation has not been adjusted with reasonable uniformity by the different asses-

It further provides that "the rate of the general state tax shall be sufficient to realize the amount necessary to meet ap-propriations made by the legislature not exceeding 5 mills on the dollar valuation The rate of the state school tax shall not be less than one-half mill, nor more than one and one-half mills on the dollar valu-ation; and the rate of the state sinking fund tax shall not be more than threefourths of a mill on the dollar valuation in any county in the state." It will thus be observed that this board as a board of equalization shall equalize taxes by varying the rate of taxation on the different counties in case inequalities appear to exist in the valuation of property as returned by such counties. By the limitation of statute preventing a levy of the general fund state tax to exceed five mills on the dollar valuation, it has been found necessary by the board of equalization, in order to meet the appropriations made by the legislature, to levy to the full fimit allowed by faw. Even then the revenues raised for a series of years past have been insufficient. It will thus be seen that the board has found itself unable to equalize taxes by varying the rate of the general fund levy and that the equalization of the valuation of property in different counties has been restricted to the variations permitted in the levy of the state school taxes, which shall not to the variations permitted in the levy of the state school taxes, which shall not be less than one-half mill nor more than one and one-half mills, and the sinking fund taxes, which shall not be more than three-fourths mill. The margins thus allowed for equalizing these taxes are entirely inadequate and if this method of eqaulization shall obtain in the future. I urgently recommend that greater latitude shall be given the board by amending this section of the statute so as to in-crease the levy for general purposes from two to four mills on the dollar valuation. This would give a much better opportunity of equalizing the burdens of taxation by varying the levy in different counties as the different valuations may require and yet enable the board to collect the necessary revenues and meet the appropriations made by the legislature.

Depository Law.

The depository law, enacted by the legislature of 1891, has now been in operation for a period of time sufficient under ordinary circumstances and normal con-ditions to test its usefulness and advant-ages, or disadvantages, as the case may be. The wisdom and desirability of such a law have been questioned by many including those who benefited by the op eration of the previous law, permitting the state treasurer to use all funds of the state under his control for private gain and speculation purposes during his term of office. I have been a warm supporter of the depository law and believe in the wisdom of its enactment. It adds a new source of revenue to the state, and re-moves the temptation to use public funds for any other purpose than that for which collected. The law itself could be con-siderably strengthened and I recommend for your consideration the advisability of amending it so as to remedy imperfections which now exist. It is to be remembered that its operation has been during a period when the loss of money, both private and public, has been very general throughout the entire country. I can see no good reason why if the treasurer himself must give a good obligation for the return of funds placed in his hands for safe-keeping that the same may not refor your consideration the advisability of safe-keeping, that the same may not rea sonably be required of the different de positors. Thus is obtained a divided responsibility and an aggregate security that is far better than a simple obligation for the return of the entire sum. The obligation of each depository should be as strong in proportion to the amount of money secured as can possibly be had for the entire sum. I am of the opinion that the law has been abused; that it has been used as a means of assisting banking interests which may have been in need of current funds for the transaction of business, when the true rule should have been positors. Thus is obtained a divided re ness, when the true rule should have been to have made depositories of banking in stitutions of unquestioned standing of unquestioned security, with the object in view of having the funds at all times subject to the call of the state treasurer

in the ordinary course of his business.

AMENDMENT SUGGESTED. I would recommend the amndment of the law so as to provide that sureties of state depositories shall be others than those actively engaged in the manage-ment of the depository bank; that a de-pository bank should not entitle the bank to deposit of state money thereunder for a longer period than two years; that the state officers approving the bond should have the right at any time they deem necessary to suspend, as a depository, any banking institution and to direct the any banking institution and to direct the state treasurer to withdraw all state funds therefrom; that the state treasurer, in the depositing of state money, should at all times be under the control of the board approving the bond, respecting the amount deposited in any one bank, and that the sureties on all depository bonds shall justify by making oath in the value of their property over and above their debts and exemptions. The general government has found it desirable to designate banking institutions sirable to designate banking institutions as depositories for funds which would otherwise accumulate in the United States treasury, and I can see no good reason why this same rule should not ob tain in the different states, such depositories being made not only the means for the convenient and expeditious transaction of the state's business, but also a source of income to the state.

THE HILL CASE. At the beginning of my term of office a sult was pending in the supreme court to recover the sum of \$236,000 from ex-Treasurer J. E. Hill and his bondsmen. The history of this litigation is familiar to all of you. The money was lost in the failure of the Capital National bank That this amount of the state's mone was in existence at the time of the set-tlement of Treasurer Bartley with his predecessor, Hill, no person acquainted with the circumstances could believe for a moment. The money had evidently been lost and no attempt made to acco been lost and no attempt made to account for it at the expiration of Mr. Hill's term of office, except by a transfer of credits on paper in this bank, a bond being prepared and approved, making the bank a state depository, and this mythical credit being placed to the credit of the state under the depository bond.

The first trial of the case in the supreme count resulted in a discoverement.

preme court resulted in a disagreemen of the jury. The case was again tried and the jury found for the defendant The matter was then argued to the su-preme court at length upon questions of law, when it was finally decided in favor of the defendant. I am not entirely faor the derendant. I am not entirely fa-miliar with the deals and intricate me-anderings of all the questions of law and fact involved in this important case. I do not doubt in the least but that this money has been lost as a result of mismanagement by those having been en-trusted with the collection and dis-bursement. And it would seem that the trusted with the consection and the bursement. And it would seem that the responsibility which certainly exists should be located so that the people might regain what has been unlawfully taken from them. It is to be regretted that persons guilty of gross misconduct and misappropriation of funds belonging to the people of the state are suffered to escape legal responsibility. Whether any further effort should be made to recover this money lost to the tax payers of the state, I leave it to you to de-

The legislature made an appropriation for the expense of carrying on this and other suits. There remained after the trial of the first case the sum of \$8,709.19 Upon an opinion from the court, and after conference with the attorneys representing the state, in order to prevent this appropriation from lapsing, a warrant was issued to me for the balance by the state of the state. by the state auditor upon a properly certified voucher presented to him for that purpose. The warrants thus drawn were disposed of by me from time to time in order to meet the further expenditures required in this case. After paying all the legitimate claims there was covered into the state treasury the sum of \$4.467.15 yet remaining unexpended of the appropriation. priation. An itemized statement of the expenditures on this case is presented

with this message.
PERMANENT SCHOOL FUND. The constitution and the statutes require that the board of educational lands and funds, consisting of the governor, attorney-general, treasurer, secretary of state and commissioner of public lands and buildings, shall at their regular meet-ings make necessary orders for the in-vestment of the permanent school funds; but that none of these funds shall be invested or loaned except on United States or state securities or registered county bonds. At the hard of the present blemmial period. December 1, 1894, there were on hand of these funds the following amounts, to-wit: Permanent school\$447,037 63 Permanent university 19,565 63 Agricultural endowment 61,965 15

Making the total sum of \$54.558 41

COUNTY BONDS SCARCE. COUNTY BONDS SCARCE.

These several funds, by a decision of the supreme court, do not come within the provisions of the depository law, and were therefore under the control and disposition of the state treasurer when the not invested as above provided, and uninvested were of no benefit to those who should derive advantage from the interest in case of an investment in interest-bearing securities, as contemplated. During the last blennial period but few county bonds have been issued and these were chiefly refunding bonds to take up other outstanding indebtedness. take up other outstanding indebtedness. Hence, it has been extremely difficult to secure for the state enough county bonds to absorb the accumulation of these different funds, to say nothing of the large amount on hand at the beginning of the blennial period. During the year 1835, the board of educational lands and funds obtained only the sum of \$40,000, being Otoe county refunding bonds bearing interest at the rate of 4½ per cent. These bonds were obtained at par. During this time a large amount of state During this time a large amount of state warrants, drawing 5 per cent interest, were being issued from time to time. I regarded these warrants as desirable investments for these trust funds, inasmuch as it would provide a ready means for the investment of the entire sum, strengthen the credit of the state and bring its warrants, which were below par, to par value, and, in effect, put the state on a cash basis.

WARRANTS AS SECURITIES.

In a decision of the supreme court,

In a decision of the supreme court, concurred in by all of the judges, and found in the 25th Nebraska, at page 660, it was decided that state warrants were state securities within the meaning the constitutional provision referred In addition to this, a precedent had been established by the purchase of these war-rants under the administration of my predecessor, Governor Crounse. The supreme court also, in a more recent case, referred to the first decision above quoted in the following affirmatory lanquoted in the following affirmatory lan-guage: "We must not, however, be un-derstood as holding that warrants against the general fund are not state securities within the meaning of the con-stitution. Although that question is not presented by this record, following in re-state warrants, 25 Nebraska, 659, and State vs. Bartley, supra, we assume them to be legitimate investments for the per-manent school fund; but if the state, as manent school fund; but if the state, as trustee for said fund, desires to invest inthat class of securities, it is required to do so on terms of equality with other ATTORNEY-GENERAL'S OPINION.

ATTORNEY-GENERAL'S OPINION.
Assuming, therefore, that warrants of this character were legitimate investment for this large fund, and as they were in every other respect a very desirable form of investment. I introduced a resolution before the board of educational lands and funds, at a regular meeting in January, providing for investment of \$500,000 of this idle fund in warrants already issued and those thereafter to be issued. Some doubt was expressed by some of the other members of the board respecting the legality of an investment of this kind, and, at their request, the resolution was referred to the attorney-general for an opinion, which was finally rendered at the regular meeting in April following. This opinion was, in effect, adverse to the decisions of the supreme court cited above, as well as to the precedent established during the administration of Governor Crounse. The attorney-general held that state warrants were not state securities and were not a legitimate investment under the provisions of the constitution. The opinion was concurred in by a majority of the board.

legitimate investment under the provisions of the constitution. The opinion was concurred in by a majority of the board, thus cutting off every avenue for a speedy and profitable investment of this Another resolution was then introduced by me looking towards the investment of the unemployed school fund in United States bonds. In this effort to find the best possible investment after we were prevented from purchasing state warrants prevented from purchasing state warrants I failed to receive the co-operation of any other member of this board and no in-

vestments were made in that direction.

Registered county bonds, the only remaining investments permitted by the constitution, have been purchased from time to time as reported in detail by the state treasurer. These bond s have purchased upon a basis of interest of 4% per cent or more. It will be observed that there was secured for the investment of the permanent school funds, county bonds in the total sum of \$345,741.92. There now remains of these trust funds, as shown by the report of the state treas-urer, the total sum of \$528,558.41.

A constitutional amendment providing for the investment of this fund in school district warrants, as well as specifically naming state warrants as legitimate investment, was submitted to a vote of the people at the last election, but its adoption is as yet a matter of is as yet a matter of un-certainty. I think, however, I can safely assume that in any event the board of educational lands and funds, as constituted by the election of the present officers, will co-operate with me in the investment of this fund in the state securities mentioned, which, if success will furnish an ample opportunity for the profitable investment of this entire fund Yet, I am of the opinion that as nearly as practicable, it would be advisable by constitutional amendment to make more comprehensive provisions for the invest-ment and management of this trust fund, which is constantly increasing and which in time will grow to enormous propor-tions. This fund is the patrimony of the children of the state, to be invested and the interest applied for their education. Such a magnificent endowment is well worthy the zealous care and watchfulness of those entrusted with its custody, and it is of the utmost importance that provi-sions be made for its investment upon advantageous terms, and yet with all reasonable precautions for the permanent safety of the principal. How soon this may be brought about is perhaps yet

Expenditures in State Institutions. It has been the custom heretofore for each legislature to make appropriations for the biennial period ending with March 31. Section 19 of article 2 of the constitution provides that "each legislature shall make appropriations for the expenses of government until the expiration of the first fiscal quarter after the adjournment of the next regular session and all ap-propriations shall end with such fis a quarter." The fiscal year begins December 1. The legislature usually does not adjourn until some time during the second fiscal quarter. The time for which such appropriations should be made, according to this construction, would not expire until the last day of the third fiscal quarter, which would be August 21. With this provision in view, the state auditor has requested estimates of expenditures to be presented to this legislature for twenty-nine months instead of twenty-fore, as has been the custom heretofore, for the purpose of bringing the appropriations up to the time mentioned. The total appropriations made by the last legislature for the current biennial The fiscal year begins Decem last legislature for the current biennial period were \$2,784,684.60, which may be di-

vided into the following items: University and normal school.... 268,441 89 Maintenance of state institutions 918.297 17 Miscellaneous appropriations 760,785 84

Total\$2,781,681 60 It Til thus be seen that of the total appropriations over one-third are for the

maintenance of state institutions. After deducting appropriations for repairs and permanent improvements the net appropriations for the maintenance of these inpermanent improvements the net appropriations for the maintenance of these institutions for 1833 and 1834 were \$384,426, and the net appropriations for 1895 and 1836 were \$35,829.34. The total number of inmates during the period of 1833-4 wzs 2,244, showing a per capita expense for this period of \$334.14; the total number of inmates for the period 1895-6 had increased to 2,538, and the per capita expense decreased to \$373.33. The great bulk of these savings was made in only a portion of the state institutions, and had the same general decrease prevailed in all the state institutions the savings would have been much greater. I am of the opinion that still further savings can be made in the expenditures of these different institutions, and for the purpose of giving you all information possible, I present herewith a tabulated statement showing the total appropriations for the two preceding blennial periods, and the manner in which they were expended, together in which they were expended, together with the average per capita cost in each of these institutions. This contains also other information which may be of value to you in determining the needs of these institutions for the time for which you shall make appropriations.

Soldiers' Home at Grand Island. Soldiers' Home at Grand Island.

The soldiers' home at Grand Island has assumed large proportions by the erection of new buildings, cottages and provisions for increased capacity in caring for worthy union soldiers, for whom it was constructed. Large sums of money are appropriated by each recurring session of the legislature for its maintenance. It now has 205 inmates, a larger number than it has ever had heretofore. The last legislature appropriated \$12,000 for a new legislature appropriated \$12,000 for a new addition, together with numerous other sums for permanent repairs and increased facilities in its management in different ways. There has been appropriated altogether many hundred dollars for the ercotion and reparation of medical substrates. tion and reparation of good, substantial buildings. It is not only fitting and proper, but it is a duty owed by the people of this state and cheerfully performed to make suitable provisions for the support of all worthy and needful survivors of the unit arms. the union armies in the civil war. I speak the sentiments of the patriotic ple of Nebraska when I say that no ple of Nebraska when I say that no bur-den is borne more willingly or duty per-formed with greater alacrity than that which is required in making ample pro-visions for the maintenance in comfort of these worthy veterans who were the de-fenders of the union.

The management of the institution for

The management of the institution for the past two years has been the most economical during its history. The kind treatment and ample provisions for the comfort and pleasure of the inmates have been all that could be desired. The members of the visiting and examining beard assisted by the commandant, have been tireless in their efforts to conduct the institution so as to fully accomplish the institution so as to fully accomplish purpose for which it was established.

Branch Soldiers' Home at Milford.

The last session of the legislature passed an act providing for the extablishment of a branch soldiers' home at Milford by the leasing of land and buildings already constructed. Fight thousand dollars was appropriated to carry into effect this act. It was provided in the act that the land and buildings referred to should within thirty days after its passage be leased to the state free of charge for two years, with the privilege of eight additional years for a sum not exceeding 3000 per annum. Under the direction of the board of public lands and buildings alterations and repairs have been made fitting the buildings for the reception of inmates. Capt. J. H. Culver was, by this board, appointed commandant. A full and detailed report for the period ening November 30 has been made by the commandant and is presented for your consideration. There were forty-five inmates in this institution at the time the report was made and a deficiency for its maintenance created up to that time Branch Soldiers' Home at Milford. the report was made and a deficiency for its maintenance created up to that time in the sum of \$10,521.20. It is also asked that \$13,500 be appropriated for the pur-Chase of this property.

The maintenance of two institutions for

The maintenance of two institutions for the support of disabled and indigent soldiers when the objects sought can be accomplished in one institution entails an additional and unnecessary expense on the taxpayers of the state. It is true that the general government has provided means for assisting the different states in caring for the veterans of the war by contributing from the general treasury \$100 per annum for each inmate of the homes established, but this in no wise changes the rule or the principle just annunced. The revenue derived from the general government is the same per capital whether one or two institutions are mainwhether one or two institutions are insti-tained and it is our duty to keep within reasonable bounds these different expen-ditures involving a taxation of the citi-zens of our state. While I do not recomzens of our state. While I do not recom-mend unreservedly the discontinuance of the home at Milford, I ask of you a care-ful and thorough study and investigation as to the probable demands which will have to be met by our people in providing have to be met by our people in providing for these worthy citizens. If the conclusion is reached that all the necessary comforts and conveniences can be as well provided for in the home already established with reasonable expenditures for increasing its capacity, it is a serious question whether this ought not to be done rather than to incur additional expense by maintaining two different institutions. The latter course necessitates the employment of two sets of officers and increased demands for expenditures which might be greatly reduced by concentramight be greatly reduced by concentra-tion of population and the utilization of fixed conveniences which are of sufficient capacity to answer the demands a much larger population would make upon them than exists at the institution at present. It is true that the location at Milford is beautiful, attractive, and the surreandings very pleasant. The water, I have no doubt, is very healthful and there are, perhaps, some advantages which do not the state. capacity to answer the demands a mucl perhaps, some advantages which do not exist at any other institution in the state. These are inducements which appeal for the continuance of this institution, yet it is to be borne in mind that the surroundings and environments can be made very pleasant, and are so in fact, in every institution in the state. Such institutions have been located only in places where the people generally have found it very pleasant to establish their homes and rear their children and enter their

children and enjoy the usual degree of happiness allotted to mankind generally. (CONTINUED)

Poor Napoleon.

What a proud world this would be if every man lived up to his little son's estimate of him. There is a small boy in this city in whose eyes his unworthy father is the greatest man in all the world. His mother, who is a great student of history, whose admiration for Napoleon Bonaparte is almost equal to her son's admiration for his father, delights in telling the boy the wonderful stories of the great emperor's achievements. There was great sorrow in the child's face when he heard the story of Moscow, and his eyes suffused with ter - when he said: Wasn't it too bad, -amma? Oh, if papa had only been there!"-New York Sun.

Fifteen Drowned at Sea. BREST, Jan. 8.—The steamship Bel gique, while bound from Antwerp for Bayonne, France, was wrecked last night on Catshead rock. Fifteen of the eighteen persons on board were

drowned.

Accuses His Fathe

WILMINGTON, Ohio, Jan. 6.-James Harvey, the alleged wife murderer, now confined in the county jail, charged with the murder of his wife, Ida, on December 18, has filed an affidavit before the mayor charging his father, William P. Harvey, 69 years old, and a Quaker preacher, with being her murderer.

Big Street Railway Deal.

DETROIT, Mich., Jan. 6.-Tom L. Johnson of Cleveland, president of the Detroit Citizen's Street Railway company, is now in control of Detroit's street railway lines.

Used Dynamite to Kill Rats.

FREEMONT, Ohio, Jan. 6 .- At Millersville, this county, a son of Alexander Dolwick got hold of several pounds of plasting powder and went to the cellar, accompanied by three sisters, to kill rats. The stuff exploded, and one girl, 8 years old, was burnee to death. The clothing of the other children caught fire and they were terribly burned, as was Mr. and Mrs. Dolwick in trying to extinguish the flames.

The Success of G. A. Hotze. "When I left Masoncounty, Ky., in April, 1873," says Mr. G. A. Hotze, of Indianola, Red Willow county, Neb., "I had one yoke of oxen, a wagon, plow and money enough to last me a year. I have followed stock raising, farming and gardening. Have made at gardening from \$700 to \$1,000 a year. own 360 acres valued at \$10,000. mprovements are worth \$4,000. I have all kinds of fruit trees. I raised about 50 bushels of cherries this year, which I sold for \$2.50 per bushel. If anyone wishes to write and ask questions, I will cheerfully answer, as I am glad to nelp any man with small means to get

a home as I have done.
In our "Nebraska Book" (40 pages with maps and illustrations), are dozens of statements like that of Mr. Thor-rell. They are made by farmers who have made a success of farming. They show that Nebraska is as good a state

show that Nebraska is as good a state as any in the Union.

The book in which they appear is as different from the ordinary agricultural pamphlet as day is from night. It is interesting, practical and truthful. In a straightforward, simple fashion, it tells you everything you need to know about Nebraska—its climate, people, schools, churches, railroads, markets, soil and crops. It explains why the Nebraska farmer makes money in spite of low prices and hard times. Why land is cheap. And how it is as easy for an intelligent and industrious man to BUY a Nebraska farm as it is to rent one in any state east of the Missouri river.

Every farm renter who wants to become a farm owner; every farm owner

come a farm owner; every farm owner who is tired of trying to make money off high-priced land; every father who wants to give his sons a start on the high road to independence, should write for a copy. Free.

J. FRANCIS, Gen'l Pass'r Agt., Burlington Route, Omaha, Neb.

Iowa Patent Office Report.

The largest number of patents ever issued in any one week was 516, on De-cember 29, 1896. Iowa is represented in that number by 13, Nebraska 4, Kansas by 6, Minnesota by 8, New York by 91, and Pennsylvania by 67.

Patents have been allowed but not yet issued as follows:

To G. R. Back, of Gothenburg, Neb, for a design for a brush for killing

To G. B. Nelson, of Redfield, Iowa for a tool for opening boxes, etc. A multiple fulcrum combined therewith adapte it to be used advantageously as a lever for many purposes.

To J. A. Norton of Odebolt, for an

improvement of his table attachment on the 29th ult. To J. U. Uhr, of Eagle Grove for a transformable door adapted for use in

winter as a storm door and in summer as a screen door. To G. P. Pump, of Lynnville, for a rotary engine that he has in practical

To A. Roesch, of Downs, Kansas, for a weed cutter and pulverizer for cultivating, corn. etc.

Valuable information about obtaining, valuing and selling patents sent to any address.

Printed copies of the drawings and specifications of any U. S. Patent sent upon receipt of 25 cents. Our practice is not confined to Iowa. Inventors in other states can have our

services upon the same terms as Hawk-THOMAS G. & J. RALPH ORWIG. Solicitors of Patenta Des Moines, Iowa, Jan. 2, 1897.

LIVE STOCK AND PRODUCE MARKETS Quotations From New York, Chicago, St. Louis, Omaha and Lisewhere. OMAHA.

CHICAGO

Wheat—No. 2 Spring 80 814

Corn—Per bu 23 6234

Oats—Per bu 1 6164

Pork 755 67 10

Lard 80 63 824

Stockers and feeders 345 680

Lard 80 63 825

Calves—Medium mixed 325 63 60

Sheep—Lambs 20 65 00

NEW YORK

Wheat—No. 1, hard 97 6934

Corn No. 2 22 6224

Pork—825 68 75

Lard—97 69 74

Corn—Per bu 20 62 204

Oats—Per bu 10 64 10

Oats—Per bu 17 618

Hogs—Mixed packing 350 63 40

Cattle—Native Shiping Steers 360 61 15

KANSAS CLI Y.

Wheat—No. 2 37