

THE
JOURNAL OF THE HOUSE

of

REPRESENTATIVES

of the

First Legislative Assembly

of the

TERRITORY OF ALASKA

HELD AT

JUNEAU,

THE CAPITAL OF ALASKA

BEGINNING MARCH 3, 1913 AND ENDING MAY 1, 1913

The Speaker appointed as a committee Messrs. Kelly, Jones and Stubbins.

The House on motion of Mr. Shoup adjourned to convene at 3 o'clock p. m. March 3, 1913.

AFTERNOON SESSION.

House of Representatives,
Juneau, Alaska, Monday, March 3, 1913.

The Speaker called the House to order at 3 o'clock p. m. Roll call showed all members present.

Mr. Svindseth moved that a committee of three members be appointed to notify the Senate that the Governor's message had been received.

Motion carried and the Chair appointed Messrs. Kelly, Burns and Aldrich.

Mr. Kelly moved that the House adjourn subject to the call of the Chair.

Motion carried.

The Senate then appeared upon the floor of the House.

JOINT SESSION.

The joint session was called to order by Senator Ray, President of the Senate.

Roll of House called by Clerk of the House. All present.

Roll of the Senate called by Clerk of the Senate All present.

Senator Ray announced that the Governor's message had been received and the Clerk of the House was instructed to read the same.

Message read by Clerk of the House:

GOVERNOR'S MESSAGE.

"To the Senate and House of Representatives of the First
"Legislative Assembly:

"In performance of a duty not specifically required by law but in conformity with the practice in other territories; and, furthermore, in compliance with the expressed wish of your honorable body, I present for your consideration certain statements concerning the condition of the Territory of Alaska together with an expression of my views as to legislation needed for the improvement of our public welfare.

"We are on the threshold of limited self-government

through the acts of a local legislature, the powers of which are somewhat severely, though not in all respects clearly curtailed by the provisions of the creative act of Congress. Some of the problems which present themselves for your consideration are not those which pertain to the subject matter of legislation itself, but to the limitations of power in given cases, and to the proper division of authority between the Federal and Territorial governments. Unfortunate as it is that a rather larger scope of authority was not granted to the first legislature, enabling it to pass laws relative to all ordinary subjects of territorial legislation, it is to be considered that the total measure of power is not disproportionate to the ability of the people of Alaska at present to pay the expenses of their own government. The dormant natural resources of the Territory are very large, but the developed resources, capable of being taxed under an equitable system, are comparatively small.

"We are to bear in mind also that many of the problems of legislation and proper administration in this Territory are those which are incident to the enormous size of Alaska, and to the regional isolation which curtails free travel and increases rather than relieves the natural inertia of public opinion. But the facts encourage, while they impose a heavier responsibility, that the late election was participated in by a very large percentage of the whole number of voters, and that the result was the choice of a body of men who may be regarded as truly representative of our Alaska citizenship.

Taxation and Revenue.

"Since the basis of all government is revenue, the necessity exists for approaching the subject of taxation early in the session. The importance of early steps is readily appreciated in view of the fact that there is at present no territorial treasury or other repository of funds which can be drawn upon by order of the legislature; and, furthermore, that no act of the legislature requiring the expenditure of money can be executed until revenue be provided for administering the law. No doubt it is true that several beneficial acts and amendatory provisions may be passed by the Assembly in the execution of which no public expense will be incurred; but in most instances this fortunate condition will not prevail. Provision for territorial revenues must be made at once, but the gross amount of these cannot be very large in the near future, and it is inexpedient, therefore, to provide a very expensive machinery of

territorial government at present, or to pass laws calling for the outlay of large sums of money for administration. The extent of new taxation should be measured carefully to meet the most pressing requirements of economical public expenditure. It is highly important, moreover, in view of the present unequal taxes in this Territory, that any additional tax laws be framed with the existing provisions always in full view. This must be so, in order that, in taxing the same objects twice, the total levy may not be made excessive, and also in order that our revenue laws as a whole may approach more nearly the accomplishment of an equitable system.

"I can not estimate the amount of revenues necessary to be raised for territorial expenses during the next two or three years, nor am I willing to suggest all the possible sources of income. The former depends upon the acts to be passed by the Assembly at its first session, and the latter may well be left to the wisdom of its members, who, by actual residence are representative of every large settled region in the Territory.

"I mention two sources only, because they have been so widely discussed. The salmon cannery business does not now bear its full share of taxation, and it may be found that a moderate tax on foreign corporations carrying on business in this Territory will yield a considerable revenue without imposing any unjust burden on these corporations. The latter, however, ought probably to be a rather small tax in view of the federal corporation tax already imposed, and the relatively high cost, in some instances, of conducting business affairs in a frontier country like this. Any taxes imposed on the product of the fish canneries should be in addition to the flat rate of four cents per case on canned salmon, and should be graduated according to the kind and the value of the fish, so that the total taxes will range from four cents on the lowest grades to about ten cents on the highest.

"I venture to give warning, however, of the dangerous folly of over-taxation in a frontier territory where the needs of government easily incline us to forget that burdensome expenses will quickly check pioneer development. It is a cardinal principle of all just and wise tax measures that the rate of taxation must not be so high as to impair the sources of revenue. To impair these sources in a country of pioneers, where it is desirable on the contrary to afford positive means of encouragement and where the prosperity of one industry often causes the establishment of

others and thus promotes the rapid settlement of the territory, is to commit a grievous error.

"It will be well to avoid also the imposition of such taxes as would entail a cost for collection in remote parts of the Territory entirely disproportionate to the gross amount of revenue to be derived. It is highly essential, in local taxation, that a proper ratio be maintained between gross revenue and cost of collection, for if the cost is excessive, the tax is, to the extent of that excess, an excessive and unjust tax. The question of an economical system of assessing, equalizing and collecting taxes in a Territory as large as this and in which the means of communication are so slow and expensive, is one of the most difficult problems with which you will have to deal.

"The present taxable resources are not large enough, in my opinion, to warrant the passage of any legislation for public works—greatly as these are needed. We must still depend almost or quite exclusively upon the monies of the Alaska Fund, and such appropriations as may be made by Congress, for the purposes of road and trail building—unless certain special provisions for supplementary work be made through the enactment of a law not calling for the imposition of taxes. I shall discuss this proposed law later in this message. The amount of revenues to be raised in the next two years should be limited to the actual cost of administering such laws as may be enacted by the Assembly at this session. Several of these, which have been the subject of wide-spread discussion throughout the Territory, are badly needed, but with possibly one or two exceptions they will require only an inconsiderable expenditure of public money.

"For the period of four years prior to 1912, the average annual receipts from taxes and licenses of every description in Alaska, exclusive only of customs and internal revenue collections, but inclusive even of the local property taxes collected by the incorporated towns, were only \$358,508.15. This statement, taken in connection with our common knowledge that in many instances property in Alaska is already sufficiently taxed, readily suggests the comparative paucity of sources of further revenue. I can not forbear, at this juncture, to remind you that, while our Territory has been sadly neglected by many Federal Congresses in that some of our most vital needs have not been supplied, the total disbursements of public money for the support of the government in this Territory reach approximately \$4,000,000 per annum, or more than ten times the amount of the local tax and license monies. This is men-

tioned so that we may not fail to consider, first our inability at present to support ourselves, and, second, the need of uniting in memorials to Congress for such national legislation for Alaska as will speedily render our great natural resources productive, and therefore sources of available wealth for the whole people and the purposes of a better government.

Regulation of Banks.

"There are wanting in Alaska several elementary provisions of law which are afforded in some form probably in every other civilized territory in the world. These may readily be enacted by the present Assembly. Some of these were passed by the United States Senate last year but were not acted upon by the House of Representatives. Among the first in importance is a law for the supervision of banks and banking, other than national associations. The absence of any restrictions, even of a requirement for simple periodical examination by government officers, has caused depositors and shareholders to suffer in several conspicuous instances. The lesson has been sufficiently impressed. We should not wait for further costly repetition. In my annual report to the Secretary of the Interior for the years 1911 and 1912, the following remarks were submitted:

"There is no law especially applicable to the organization of banking institutions in Alaska and no legal means for their control. It has already been proven that this condition is capable of producing the gravest consequences, and it is not a credit to a civilized government that it should be permitted to exist. Besides the national banking associations, of which there are two, and which, of course, are subject to the provisions of the national-bank act, there are in the Territory at least 12 so-called private banks, either organized under the laws of some of the States, or not incorporated at all. None of these is subject to any supervision by State or Federal authority. It hardly seems necessary to say that this situation should be relieved without delay by the enactment of a simple provision for official examination. The expense of such examination probably should be borne by the banks."

Quarantine.

"No legal means exists in Alaska, at least outside the incorporated towns, for the establishment and enforcement of a quarantine to prevent the spread of contagious diseases. No law exists under which a patient must be iso-

lated. The penal code, it is true, provides for the punishment of a person guilty of 'intent to cause the prevalence or spread of such (malignant or infectious) disease,' but this strange provision rests upon an hypothesis as absurd as it is abhorrent, and which, as a matter of fact, never materialized anywhere in Alaska. A year ago I was informed by the chief administrative officers of the Public Health and Marine Hospital Service that, under a liberal construction of the laws governing that service, it was possible to establish and maintain quarantines at Federal expense at all interior points in Alaska, as well as at seaports and at places on the international boundary. An officer of that service was accordingly detailed for special duty in Alaska, with instructions to exercise the usual functions of a State or Territorial commissioner of public health. A month ago, however, when the necessity arose of establishing a quarantine at two places in Southeastern Alaska, it was found that the Public Health and Marine Hospital Service had no funds available for the purpose, and no action was taken. Unless the difficulty regarding funds be soon surmounted—and I await further advises from Washington on the subject—it will be necessary for the Legislative Assembly to deal with this subject. The menace of smallpox and other contagious diseases should not be suffered to exist without means of check. Without submitting any particular form of legislation I suggest that a Territorial quarantine law will not prove expensive to administer if local resident physicians be employed, with compensation only at such times as prescribed duties are actually rendered. These local health officers may be authorized to establish quarantines instantly in emergencies and to continue them and to defray the expense thereof under directions from the Governor or other designated officer of the Territory.

Sanitation and Public Health.

"I recommend the enactment of suitable provision for sanitation and public health. Any law on this subject should apply to the native inhabitants as well as the whites. The need of a simple sanitary code is presented most frequently in the native settlements, but is often observed elsewhere; while the danger to white residents which comes from the existence of unsanitary conditions and infectious diseases in the native villages adjacent to the principal towns is constant.

Vital Statistics Registration.

"Among the subjects of minor legislation few are more important than compulsory and systematic registration of births, marriages and deaths. The nature of this subject is such that it does not arouse wide public interest until some pitiable example of human suffering arises from the absence of certain vital records. There have been several such examples in Alaska. A registration law has among other effects an important moral one, for the marriage contract is more likely to be observed and opportunities for fraud and deception of various kinds are less frequently found. A model bill on this subject, prepared last year in the Bureau of Vital Statistics of the United States Census Office, was passed by the Senate but was one of those which did not receive the attention of the House. The public expense of administering this law would amount to little or nothing. I heartily commend its provisions to your consideration. This subject is also treated in a useful and suggestive way by the Alaska Commissioners on Uniform Laws, whose report I expect to communicate to the Assembly a little later.

Compulsory School Attendance.

"Also among these measures which were passed by the United States Senate last year but which were not acted upon in the House is a bill providing for compulsory school attendance. Such a law is needed rarely to secure the attendance of white children in Alaska, but the act is very necessary for the natives, and its provisions should be made applicable equally to the whites and natives. It may be found desirable to incorporate in an act of the Legislative Assembly some of the provisions of the bill which was introduced in Congress, and I therefore invite your attention to them.

Relief of Destitution.

"That some of the primary needs of Alaska, quite simple and elementary in their nature but none the less important, have been neglected since the earliest settlement of the Territory is well illustrated by the notorious lack of any means of relieving the poor. I refer particularly to cases of destitution caused by physical accidents brought on by the rigors of life on the frontier. By far the greater number of the persons who are poverty-stricken from this cause have not contributed to their present unfortunate condition by any fault of their own making; and to many of them, notably the old prospectors and early miners, the Territory

owes much, for they blazed the way for more prosperous residents who came after them. A bill setting aside for the relief of destitute whites such a percentage of the Alaska Fund as would yield from \$9,000 to \$18,000 a year at present, was actually passed by both houses of Congress last year, but strangely enough it appears that the usual conference committee to consider the easily reconcilable differences between the Senate and House bills has never been appointed. Only one day of the present Congress remains; and if the bill be not enacted by the national body at once, therefore, the subject should be considered by the Territorial Assembly with a view of enacting a suitable relief measure.

Mining Law Amendments.

"The mining law enacted by Congress last year was not such as to bring sufficient measure of relief, and further provisions are necessary to meet the conditions found in this Territory. Among the more important is a modification of the requirement that the first assessment must be completed within the calendar year. The requirement operates unjustly in the case of locators who make discoveries and stake their claims very late in the year, when the time is insufficient for inaugurating profitable operations to improve the property. A compromise plan possessing much merit, in my opinion, is the one which would require the first instalment of assessment work to be done within ninety days of the date of location, without reference to the end of the calendar year period. This initiatory work would be to some extent incidental to the discovery and location, and would have a tendency, at least to settle many of the questions of genuineness of the discovery itself.

"Other desirable provisions are so familiarly known and have been the subject of such wide expressions of opinion that I refrain from discussion of them all within the limits of this communication—especially as the legislation on this subject must needs be somewhat varied and voluminous.

Optional Payment of Assessment Work.

"As a plan calculated to enlarge greatly the extent of wagon-road building without the imposition of further taxes, I heartily favor the enactment of a mining law as described in the following extract from my current annual report to the Secretary of the Interior:

"I strongly recommend a further modification of the general mining law as applied to this Territory, under which assessment work on both quartz and placer mining claims

may be paid in cash or in labor to be applied to the construction of roads and trails outside of incorporated towns. This policy is sound in principle and would certainly accomplish much for the development of the Territory. The soundness of the principle rests on the fact that so-called assessment work on mining locations is intended to promote the development of mines and to discourage speculative holdings. This purpose is notoriously defeated in countless instances not only because false affidavits as to labor on mining ground are promoted, but because much of the assessment work, done in good faith with the object of complying with the law, really does not accomplish any real development at all, but from the conditions of mining, is work wasted. This is particularly true in groups of quartz claims and in placer tracts purchased for dredging operations, upon which labor in any given year can be profitably applied only within the confines of one claim. By granting to locators or claim owners prior to patent the option of paying the amount of their assessments in cash for wagon-road constructions, much perjury would be prevented, litigation would be forestalled, and the real development of mining properties hastened and rendered more profitable.

"The power of a territorial legislature, however, to enact such a provision, under the terms of the general mining law is at the best a matter of doubt. I mention it here particularly because of the paramount need of securing the construction of more extensive highways and trails, and because this plan of raising revenue may be made the subject of a memorial to Congress by your honorable body.

"As a matter somewhat nearly related to the foregoing, I recommend the repeal of the road tax law of April 27, 1904, since experience has shown that the tax is not only excessive but unequal in the burdens which it imposes, and expensive and difficult to collect.

Labor Laws.

"A miners' labor-lien law to take the place of the act passed by Congress in 1910, the provisions of which are notoriously inadequate and ineffective should be enacted by the Legislative Assembly.

"I warmly support the position of those who would ultimately have eight hours of daily labor recognized as standard throughout the manual trades and occupations. For a long time, however, there must be exceptions to the eight-hour rule, and in a country of pioneers especially should the subject of eight-hour legislation be approached with caution. Upon most easily recognized grounds of common

equity, the eight-hour day must be made compulsory only when special conditions can be assigned rendering imperative a shorter period of daily labor than that which, in excess of eight hours, prevails.

"In this connection I mention the salmon fisheries and canneries as an industry whose representatives should be listened to carefully on the subject of shorter hours of labor; and I invite your attention to the interests and welfare of more than 4,000 Indians or other natives whose principal time of labor is already restricted to the short period of salmon fishing each year and whose earnings are measured exactly by the number of hours they are employed.

"Excellent measures of legislation other than those which I have briefly discussed herein have been suggested from many sources, and among these are several to which some of the members of this Assembly were pledged in the platforms on which they were elected. I do not discuss many of them in detail, but among those most worthy of early consideration are those providing for the control of public service corporations, more economical means of settling estates in probate, adding slander to libel as a crime under the provisions of the penal code, imposing a tax on transient traders, revising the existing list of trade and occupation licenses, and making delinquent taxes a first lien on property. The nature of several of these provisions brings me to the subject of revising our civil and criminal codes.

Code Revision.

"Among those subjects of needed legislation which are within the scope of your powers, not a few are such as will require the amendment of various provisions found in the civil and criminal codes of Alaska. These codes, enacted more than a decade ago, have afforded during that period the principal means of civil administration and judicial action in this Territory. But the codes were not based on the best models, and they were somewhat hastily prepared without a full knowledge of the needs of the district. Moreover, these needs have changed rapidly with the early development of the country. The experience particularly of Territorial civil officers and of our courts of justice, as well as of lawyers who have been active in professional practice, has suggested strongly the need of many amendments to both codes. But such amendments should not be made piecemeal and the whole task is a large work, requiring much painstaking effort, a thorough knowledge of the principles of law and equity, and mature discussion and deliberation extending over a considerable period.

"Among the statutory provisions for the government of this Territory are many imperfect enactments, more or less unsuited to the purposes for which they were intended, and often conflicting or ambiguous in their terms. This incoherent and highly unsatisfactory body of law should not be made worse by abortive and unthorough efforts at code revision. It is not to be expected that this large and important task could be completed by the Assembly within the sixty days of its present session, even if other matters of legislation should receive no attention at all. As the work could not be completed, it ought not to be begun; for it is a work requiring consecutive effort, and should be performed at once and as a whole.

"I recommend that the whole subject of code revision be assigned to a commission of from three to five members, who should be instructed to report all needed amendments to the civil and criminal codes for ratification either by the next legislature, or by the present legislature if an extraordinary session should be convened for that purpose.

"Hoping that the disposition of this subject will be made by you as suggested, I recommend that at the present session no acts be passed amendatory of the codes, with the single exception of an act to revise the list of trade and occupation licenses.

Needs of National Legislation and of Administrative Reforms.

"It is as unnecessary as it is irrelevant for me to discuss at length in this message those great needs of our Territory which require national legislation. They are not only familiarly known to you to such an extent as to enable you to present intelligent and forceful memorials to the national legislature but the proper executive officers have already performed their duty by presenting them to the Congress, which alone possesses the power to grant remedial action. I venture to suggest only in this connection that, in any petitions or memorials which you may address to the Congress on those prime necessities of railway construction and better land laws, you give primary expression to the demand for prompt affirmative action on the general subject, and only secondary discussion, if any at all, to the particular kind of relief which is to be afforded. The Territory has suffered so long and the need of relief is so urgent that we may well give emphasis to the general necessity only, rather than prolong the period of waiting by introducing new elements of particular discussion or controversy. In any event, it is to be hoped ardently that in these petitions to

the higher law-making power, the action of this legislature will be made unanimous if possible, for they will thereby have greater force.

"It is regrettable in the extreme that a larger measure of administrative authority has not been granted to officers residing in the Territory. This means that there should be a transfer of several administrative functions relating to this Territory from departments and bureaus in Washington to the proper offices in Alaska. We suffer greatly from non-resident administration—the more so because the Territory is so distant from the seat of federal government, and because there is a general lack of knowledge of our conditions among executive officers at the national capital. It is sometimes true also that those distant officers are not sufficiently interested in the greatest welfare of the people of the Territory, and are not at all responsive to proper considerations of public opinion in Alaska.

"It is an unwelcome reminder of our present condition of comparative neglect and lack of fostering care by government that the body of law and regulations applicable to Alaska appears, when considered as a whole, a patchwork of inequalities and conflicts, incapable of being economically or harmoniously administered. Some of the worst faults are found in the school system, and in the game, fishery, and fur laws; and it is unfortunate that the Legislative Assembly is expressly inhibited from applying proper remedies by amending those laws.

"In the consideration, however, of those classes of legislation which have been delegated to you by the creative act of Congress it is my earnest desire to assist you in every way that is permissible during the remaining short period of my official tenure.

"WALTER E. CLARK, Governor."

Moved by Senator Bruner that the message of the Governor of Alaska be spread in full upon the minutes of the joint session.

Motion carried.

The joint session then adjourned.

The House resumed its regular session.

HOUSE SESSION.

Moved by Mr. Kelly that the House adjourn to meet at 1 o'clock, March 4.

Motion carried.

BARRY KEOWN,
Chief Clerk of the House.

EARNEST B. COLLINS,
Speaker of the House.