

Secretary of Alaska

Journal of the House of Representatives

OF THE

Territory of Alaska

NINTH SESSION

BEGUN AND HELD AT
JUNEAU, THE TERRITORIAL CAPITAL
MARCH 4, 1929.

Adjourned Sine Die, May 2, 1929.

R. C. ROTHENBURG
Speaker

R. C. HURLEY
Chief Clerk

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REPORT OF SPECIAL COMMITTEES.

Mr. Nylen, for the Committee to notify the Governor reported that the Governor had been notified that the House was organized and is ready for business.

Mr. Woofter, for the Committee to notify the Senate, reported that the Senate had been notified that the House was organized and ready for business.

MESSAGE FROM THE SENATE.

A Committee of the Senate, Senator Arthur Frame, Chairman, appeared at the bar of the House and announced that the Senate had organized and is now ready for business.

A message from the Senate, transmitting Senate Concurrent Resolution No. 1, which passed the Senate was received and read.

Mr. Murray moved, and was seconded by Mr. Winn that the rules be suspended, the resolution be read, which reading shall be considered the second and third reading and that it be immediately put on its final passage. The motion carried unanimously.

Thereupon Senate Concurrent Resolution No. 1 providing for a joint session of the Senate and House of Representatives to be held in the Hall of the House at 2 o'clock P. M., March 6, 1929, to receive the Governor's message was read and the question being: "Shall the resolution pass?" It was passed by the unanimous vote of the House.

Thereupon, on motion of Mr. Winn, seconded by Mr. Donnelley the House adjourned until 1:45 P. M., March 6, 1929.

R. C. HURLEY,
Clerk of the House.

Approved March 6, 1929.

R. C. ROTHENBURG,
Speaker of the House.

THIRD DAY.

House of Representatives,

Juneau, Alaska, March 6, 1929.

Pursuant to adjournment the House was called to order at 1:45 P. M., by Speaker Rothenburg.

Honorable F. A. Boyle, United States Commissioner for the First Division of the Territory of Alaska, administered the oath of office to Representatives-elect A. H. Ziegler and Joe McDonald.

Roll call showed all members present except James N. McCain.

Prayer was offered by the Chaplain.

The journal of the proceedings of the second day was read and approved.

The Speaker directed the Sergeant-at-Arms to notify the Senate that the House was ready to receive the Senate in joint session of the Legislature to receive the Governor's message.

JOINT SESSION.

The Sergeant-at-Arms announced the President and members of the Senate, who were received at the bar of the House and seated with the members of the House.

The Speaker called the joint session to order and appointed Messrs. Nylen and McCormack to escort the President of the Senate to the rostrum.

The President of the Senate assumed the chair and appointed Messrs. Hess of the Senate and McCormack of the House to escort the Governor to the rostrum.

His Excellency, Governor George A. Parks, escorted by the members of the committee for that purpose arrived at the rostrum of the House and was seated with the President of the Senate and the Speaker of the House.

The Secretary of the Senate then called the roll, all members of the Senate being present.

The President of the Senate announced the purpose of the joint session and introduced Governor Parks.

Thereupon the Governor delivered the following message:

Mr. President, Mr. Speaker, Members of the Legislature:

You have convened for the Ninth Biennial Session of the Legislature and it is my privilege to report to you on the conditions which have existed in the Territory since the session two years ago.

Probably this is the last time that the Legislature will meet in rented quarters. The capitol building for which we have been petitioning since 1910 is at last assured. The plans are completed and it is expected that construction will begin this year. In design the building is similar to other public buildings that are under construction by the Government, and in outward appearance it resembles a modern office building. It will contain five stories and provide adequate quarters for all Federal and Territorial offices with ample space for the Museum. The plans should be available for your inspection before you adjourn. When the building is completed and the offices are moved into the new quarters, the present Territorial building will be unoccupied and it is suggested that some arrangements be made for disposing of it.

GENERAL CONDITIONS

In the past two years some sections of Alaska have made substantial progress, others have scarcely maintained their normal growth, while a few districts have declined, but this is not necessarily alarming in a country where we depend so largely on seasonal occupations to supply employment for our labor, nor does it indicate that the Territory as a whole has retrogressed. In the

past we have relied on the fisheries to employ a large percentage of our population and to furnish a major part of our revenues. In fact, the prosperity of the coastal sections of the Territory depends on the success of the fishing industry. In 1927 there was an unexpected decline in the salmon supply and consequently a material reduction in revenues. In 1928 the catch of salmon was above normal and the returns to the Treasury will be above the average.

The production from our mineral resources was less than for previous years, but some of the larger operations did not get under way until late last year and there is every reason to believe that the returns from mining will be greater during the next biennium.

The enactment of laws governing the allocation of grazing lands has for the first time made it possible for stock owners to acquire control of specific areas and there is evidence of renewed interest in this industry. The breeding and marketing of reindeer are rapidly assuming a place in our productive industries and the Federal Government is studying many of the problems involved so that aid may be given to the owners. As a further aid, five of the larger islands in the Aleutian chain were eliminated from the Reservation that was created in 1910. These islands contain large areas of land that are suitable for grazing purposes and we may expect them to be occupied in the future.

Engineers representing paper manufacturing companies have been in the Territory gathering data on which to base their program for building operations and there is no reason to believe that they will not comply with their contracts and begin construction of pulp and paper mills during the next biennium.

The Federal Government has authorized the Alaska Railroad to spend a limited fund in an effort to bring colonists to Alaska, and plans are being formulated for this work. The results of these plans should be very carefully observed and if they prove successful we can well afford to lend every possible assistance in furthering the project. There is no need for a duplication of effort in this work.

NEW PROGRAM FOR BUILDING

Ever since the first session of the Legislature it has been the practice to appropriate funds for our immediate requirements. We never have had a comprehensive program to provide for future growth of our Territorial institutions and to distribute the necessary capital expenditures over a period of years. I feel that we should inaugurate a new policy which will involve the determination and adoption of a program of construction and expansion for perhaps the next decade. We should not be satisfied to provide for the next two years alone. If we do not estimate the progress that will take place in Alaska during the next ten or twenty years and provide for it now by appropriate legislation we will find that the Government is not keeping pace with the advance of our economic life.

Some of our institutions are old and inadequate and must soon be replaced. Some new ones are desirable, in fact, in a few years they will be a necessity. You are familiar with the limited financial resources of the Territory and realize how impossible it is for us to provide the funds for the necessary new institutions in a lump sum. Careful planning and distribution of costs over a period of years will meet these demands. I am convinced that our revenues will enable us to provide for all legitimate needs of this character, but it will require the most careful consideration and the allowance of only those appropriations which are essential.

AUDITOR'S OFFICE

The District Court for the First Judicial Division, just after the close of the last legislative session, held that the Secretary of Alaska is ineligible to perform the many duties that have been conferred on his office for the past fifteen years by the Legislature. The Court stated that the present incumbent is performing these duties as a defacto officer and may continue to act in that capacity until removed or other arrangements are made to meet the situation. The suit was later withdrawn, but it is not proper that this question should remain subject to attack. It is suggested that this matter be given immediate consideration and I recommend the creation of a department of audit with provisions for the election of a Territorial Auditor authorized to assume all

of the Territorial duties now performed by the Secretary of Alaska.

Since it is necessary to reorganize the office of the Secretary it is advisable for you to consider whether or not certain functions, which were assigned to that office at a time when there was no other place for them, should be taken out and assigned to the proper department. The recording of vital statistics and all matters pertaining to health and sanitation should be under supervision of the Commissioner of Health. However, until the new capitol building is completed the records and clerk in charge should remain in their present location. If this change is made a saving of \$1200 to \$1500 per year can be made because it will not be necessary to make an appropriation for additional stenographic services for the Commissioner of Health or the Boards of Medical and Dental Examiners.

TAXATION

Taxation is a favorite theme in every legislative body and justly so because it affects, or should affect, each individual citizen in every commonwealth. It is an exceedingly difficult problem to so adjust taxation that every individual and every industry will be required to pay their fair proportion of the funds that are necessary to maintain the government but any tax measure which fails to do this is unjust. Too often do our revenue measures impose an excessive burden on those who, because of better management or greater business ability and broader views, have achieved notable success in some particular field of endeavor.

We are entering this biennium with what seems to be a large balance in the treasury and you will be confronted with many requests for appropriations because of this apparent surplus. If we are to be successful in conducting the business of the Territory on a sound economic basis we must follow accepted business methods.

The ideal and only justifiable system of taxation is based on the theory that we shall derive just sufficient revenue to meet the necessary costs of our government, if we exceed this, then taxation amounts to confiscation. However, in Alaska we are confronted with a peculiar situation because we do not derive our taxes from a stable property valuation but from a variable commodity

production and therefore we must maintain an adequate surplus or reserve in our treasury at all times sufficient to meet probable fluctuations in the annual production of our industries. Under these conditions I contend that a reserve is not only justifiable but indispensable.

For the past ten years the Federal Government has been gradually reducing some of our taxes but during this time nearly every State and municipality has been increasing their local levies. Alaska has not been an exception to this ill advised tendency, and we have less justification than many of the other political subdivisions. Our population has not increased materially in the past ten years yet our annual expenditures have mounted rapidly. The cost of administration cannot be advanced as a reason for the increase because last biennium only 4% of the total expenditures can be charged to this item and this is a reduction of 33 1-3% under the same item for the preceding two years.

Our expenditures have increased but our sources of revenue have not. The major part of our revenue is derived from our productive industries and there has not been, and probably will not be for some years to come, an increase in the number of these industries that will be able to supply revenue. Hence, any increase must be borne by those already in existence. We have records from which we can estimate very closely the amount of revenue we may expect for the next five years and if we wish to conduct our business on a sound basis we must not make appropriations that will exceed our probable receipts from taxation. I am convinced that our present rates of taxation will produce ample revenue for all necessary government activities, in fact, I believe we could well repeal some of the minor license features which are in conflict with our municipalities. For example, the dual tax on automobiles.

We must concede that we do not have the capital within the Territory from which to draw funds for the development of our resources and we should therefore encourage investments from other sources. At this time there seems to be a universal tendency elsewhere to increase taxes, I can conceive of no greater evidence of our desire to cooperate with those who wish to invest money in the Territory than to balance our budget and if not reduce taxes, at least maintain the present rates.

It is very easy to accede to the demand to spend money from the public funds but we should not forget that we are merely trustees for the people and we should give the same consideration to the expenditure of these funds as we would to money entrusted to us as individuals. We should not make appropriations unless we are convinced that they are essential to the public welfare. There is a vast difference between those appropriations which are necessary and those which are only useful or desirable; the latter are luxuries and we, as public servants, should not permit the public funds to be so expended. We should especially guard against adopting new projects because, once established, a precedent is created and although it may not be so stated, it is at least implied that similar appropriations will be forthcoming in the future.

FINANCES

Financially the Territory is in a better condition than it has been for many years. On December 31, 1928, the net cash balance in the Treasury was \$602,570.46 as compared with \$553,321.48 on December 31, 1926. In 1927 the revenues exceeded the expenditures by \$175,230.90. This is accounted for by the abnormal salmon pack in 1926. In 1928 the disbursements exceeded the receipts by \$125,961.92, thus leaving a net increase to be carried to the surplus of only \$49,248.98. The net cash balance March 1st was \$967,019.35, but, less this be misunderstood, it should be stated that it includes a large part of all the taxes that will be collected during the current year and out of this we must pay this year's expenses. This balance is \$25,235 less than it was at the opening of last session.

A statement of the revenues that have been derived, by the Territory, from all sources for the past eight years will be of value in estimating the probable receipts for the next two years. The following table was compiled from the records in the Treasurer's Office:

1921-1922	\$1,188,949.71
1923-1924	1,779,564.25
1925-1926	2,239,050.52
1927-1928	2,426,164.20

Statistics covering receipts and disbursements for the period 1918-1928 inclusive show that during this time

there were seven years when the expenditures exceeded the revenues and had it not been for the reserve created by the payment of disputed taxes we should have been confronted with a considerable deficit.

DEFICIENCIES

Expenditures during the biennium have been kept within the appropriations with one exception. The public school current fund has been overdrawn for \$1,159.14. This is unavoidable without unjustly penalizing the schools in some of the remote sections. Of course, if the amount involved should prove to be large, we could not assume the responsibility of creating a deficiency.

PREDATORY ANIMALS

The last Legislature appropriated \$10,000 for the purpose of investigating reported depredations by predatory animals and to allow a study of conditions to be made so that a report could be submitted for your consideration. The Biological Survey assigned one of their trained hunters to the Territory and also contributed about \$2,000 to aid in the work. A full report of the findings will be submitted. It is apparent that coyotes are increasing at an alarming rate in some sections and unless stringent measures are adopted we may be confronted with a more serious situation. The reindeer, fur bearers, wild fowl, and game, especially mountain sheep, are easy prey for these animals.

The Territory cannot finance an extensive program for the control of predatory animals and if we could, at the present time, we would have to go outside of the Territory for trained men. We can, however, adopt a program which will provide an efficient organization at the end of two or four years and in the meantime employ our own residents. The following plan, briefly outlined, is suggested for your consideration as a possible solution of the problem.

Retain the services of one experienced predatory animal hunter for the next two years. Authorize the selection of not to exceed four trappers who are residents of the Territory. Appropriate sufficient funds to provide them with supplies and pay their transportation to the infested areas. These men must agree to work under the

direction of the trained hunter and he will be directed to instruct them so that in two years they will be qualified as predatory animal hunters. They shall be allowed to retain pelts and to collect the bounty on all the animals caught or destroyed. In this way we will have, at the beginning of the next biennium, a number of qualified residents for appointment as hunters and we may then consider a proposal for an organized predatory animal control. There is reason to believe that the Federal Government will contribute funds, in fact \$5,000 has been appropriated for next year, to this project when we can show that we have an organization which will function properly. If this plan or some modification of it is adopted we should be able to do away with the bounty system within the next few years.

All the funds that were appropriated for bounties have been expended and it is estimated that \$10,000 will be necessary to pay the accrued claims.

FUR FARMING

Under the provisions of Chapter 53, Session Laws of 1927, an experienced veterinarian was employed to visit the fur farms in the Territory. A complete report of his activities and recommendations will be submitted later. There is urgent need for services such as he has rendered and the following plan is suggested.

The creation of a Department of Animal Husbandry at the Agricultural College and School of Mines. The head of this department shall be qualified to render assistance to the fur farmers throughout the Territory and he shall also be charged with the duty of inspecting the dairy herds. The law should contain a provision whereby he is authorized to carry on necessary experiments in whatever places he may desire in the Territory. That is, he should be permitted to select one or more pair of animals from an existing farm, assuming, of course, that the owner will consent, and build a pen if necessary where they may be confined and observed. He will prescribe the proper method of treatment and feeding and leave instructions to be carried out by the owner. After the lapse of sufficient time he may again visit the farm and determine the results of his work. Under this plan experiments could be carried on in many sections concurrently. The work

could be distributed and the information be made available so that the farmers in each area would derive benefits that they could not obtain from a centralized experiment station.

Last session we appropriated \$15,000 for the benefit of the fur farming industry and \$10,000 for the examination of dairy herds. We had to bring two veterinarians to the Territory when one could have done the work. The examination of the dairy stock does not require a great deal of time and would not interfere with the other duties of the veterinarian. It is believed that if the two appropriations are combined and augmented by a small additional appropriation the plan suggested may be put into operation. Certainly the cost would be very much less than that of one or more large experimental stations and in my opinion the benefits derived would be greater. All necessary laboratory work could be performed at the College.

The greatest objection to a large experimental fur farm lies in the difficulty that is encountered in the dissemination of information. Those in charge of the experiments acquire a comprehensive knowledge of many problems, but the farmer will not derive the benefit from the work unless he can visit the station. Each locality has its own particular problems and an investigation of these problems in each community and under conditions which will permit all of those who may be interested to observe the experiment will, I believe, be of greater value than a single large station.

PIONEERS' HOME

The report of the Superintendent of the Pioneers' Home at Sitka will be transmitted to you by the Board of Trustees. The members of the Board have visited the institution several times during the biennium and we have found that the place is well managed and the pioneers well cared for by the Superintendent and the employees. There have been times when the number of pending applications exceeded the available space and we have had to care for some hospital patients in other institutions until they could be admitted to the Home. This condition is not serious and probably will continue until we have sufficient funds to erect a new institution. If a five-year building program is adopted it is not advisable to erect

additions to the existing buildings. The last Legislature appropriated \$98,500 for maintenance and improvements and \$11,803.22 was received for services rendered and supplies purchased by other than inmates. The estimated cost of maintenance and repairs for the next biennium is \$106,500.

During the past year a bequest of \$2,700 was left to the Pioneers' Home by John North. The Trustees have not made any disposition of this fund because we deemed it advisable to present the matter to the Legislature. We believe, however, that a trust fund should be established to be designated as "The John North Library Fund" and that the money should be invested and the proceeds used to purchase magazines, books and papers for the pioneers.

At this time it is appropriate that I should express my appreciation to the other members of the Board for their indispensable assistance and the willing and efficient service they have rendered.

PENSIONS

Alaska always has been noted for its generosity in providing for the care of those who, because of circumstances beyond their control, require assistance, and we should continue to do our utmost to relieve distress and destitution.

The Pension Board is charged with the administration of the allowances for aged residents and the demands on this fund have increased so rapidly during the past year that we feel that we should present the matter to you in detail so that you may be fully advised and be better prepared to make adequate provisions for the probable increase during the next biennium.

The following table shows the increase in disbursements for pensions since 1921:

1921	\$14,779.25
1922	19,427.75
1923	26,965.25
1924	29,499.50
1925	45,123.69
1926	57,193.49
1927	66,454.50
1928	75,824.92

From these statistics it appears that the pension roll in 1928 is more than five times what it was in 1921. The funds distributed for the last quarter of 1928 amount to \$20,600 and the total expenditures for the biennium increased 39% over those of 1925-26. At the present time there are 286 men and 41 women on the roll. Based on the expenditures for the last quarter we must have an appropriation of \$164,800 to meet the present pension roll for the next two years and if we assume that the increase will be the same as it has averaged for the past two years we must add 16% to this, making a total of \$191,168 required for pensions.

DEPENDENT CHILDREN

Some time ago it was ascertained that the appropriation for the care of dependent children was approaching the point where there was danger that it might be exhausted and accordingly the various Boards were cautioned about incurring new obligations. At the present time 158 children are being cared for at a cost of about \$2,300 per month. The appropriation for the next biennium should be \$60,000.

FISH HATCHERIES

The last Legislature placed the fish hatcheries at Ketchikan and Cordova in the custody of the Territorial Road Board. In order to relieve the Territory of unnecessary expense, arrangements were made with the Ketchikan Commercial Club whereby they have assumed responsibility for the care of the buildings and equipment of the Ketchikan hatchery and have agreed to keep it in repair until disposed of by the Territory. The hatchery at Cordova has been closed and Mr. McDonald of the United States Forestry Service has kindly given his time and services in protecting this property. It is suggested that some definite plan be made for disposing of or caring for these properties as they are deteriorating rapidly.

RESCUE AND RELIEF OF LOST PERSONS

January 1, 1929, there remained \$4,624.05 out of the appropriation of \$10,000 for the Rescue and Relief of Lost Persons. Since then we have authorized some expendi-

tures, but there will be a substantial balance at the end of the biennium. An appropriation of \$10,000 should be sufficient to meet all requirements.

INSANE OF ALASKA

Each session of the Legislature has sent memorials to Congress requesting that a Government institution be provided for the care of the insane of Alaska. During the past winter the problem was submitted to Congress and to the Interior Department. Sufficient funds will be appropriated to enable the Secretary of the Interior to employ an alienist from the United States Public Health Service to be stationed at Morningside Hospital or such other institution as may be awarded the custody of the insane. The doctor will have ample authority and will be responsible for the welfare and proper treatment of the patients. This plan was suggested by the Pioneers of Alaska at their convention last year and is a long step toward the desired goal of a home in Alaska. The present contract expires January 1, 1930, and although it was the opinion of those present at the conference that there should be an institution in Alaska it was realized that this could not be provided in the short time that remains. It was agreed that a small appropriation should be requested from the Federal Government for the purpose of providing plans for an institution in the Territory. I believe that if we can present suitable plans and a definite building program to Congress during the next five years they will give the project sympathetic consideration.

RELIEF OF DESTITUTION

An analysis of the expenditures for the year 1927-1928 shows that about 14% of the total was incurred in the relief of destitution. This includes the Pioneers' Home, pensioners, care of dependent children, and relief of indigents. The laws governing the administration of these funds are contained in eighteen separate acts which have been passed since 1913. Some of these are indefinite and ambiguous, thus creating a doubt about the proper interpretation of them. Some time ago the Attorney General undertook the work of revising and codifying all of the laws on this subject. Much time and no little effort has been devoted to this work and he has for presentation to you the results of his research. Careful con-

sideration should be given to this compilation because the appropriations involved are large and there should be no doubt about the meaning of the laws which govern their distribution.

MINING

Chapter 18, Session Laws of 1927 authorizes the payment of transportation to bona fide prospectors and prescribes the manner in which it shall be expended. About 150 men have availed themselves of the funds and while we have not received returns from each individual there is no doubt but the plan has encouraged prospecting in the Territory. January 1, 1929, there was \$2,696 of this appropriation unexpended; however, outstanding obligations will absorb this balance. It required about one year to complete arrangements for distribution, hence the actual expenditures did not begin until 1928, when the amount disbursed was \$16,620. This plan, with some modifications, should be continued during the next two years.

The mining industry everywhere is recovering from a long period of decline and we should very carefully consider every suggestion which may be made to encourage the development of our mineral resources. We can well afford to provide the necessary funds that may be necessary to aid in this work even though we may have to restrict our activities in other less important projects.

MEDICAL AND DENTAL BOARDS

The laws which provide for the examination and registration of doctors of medicine and dentists and creates examining boards should be revised to meet existing conditions.

Under the present law the Board of Medical Examiners is composed of eight members, two from each Judicial Division. It is impossible to comply with this law because there are not doctors enough to qualify. The present system is objectionable for another reason, namely, that it is necessary to send examination papers to a majority of the Board for consideration before a license may be issued. This requires a long time and frequently the papers are lost or misplaced. It is believed that a smaller board will function more satisfactorily

and hence it is recommended that the number of members be reduced to five, two from the First Division and one from each of the other three.

A further difficulty arises in the construction of the terms used in this Act. It is provided that the Board shall issue licenses for the practice of medicine and the revenue law states that the Territorial Treasurer shall issue a license on the payment of the required fee. Clearly it is not the intention of the Legislature that these should be confused, but the license issued by the Treasurer, which should be termed an occupational tax, has been accepted as a defense in cases where proceedings have been initiated against doctors of medicine who have not been authorized to practice by the Board. This ambiguity should be removed and probably the most simple way is to provide that the Treasurer shall not accept a fee or issue a tax receipt unless the doctor of medicine has been authorized to practice by the Board.

The law creating the Board of Dental Examiners contains many of the same defects that are inherent in the laws governing the medical board and if we wish to make these acts effective, and it is most essential that these professions be properly safeguarded, the defects should be cured.

ROADS AND LANDING FIELDS

Under the provisions of existing laws Territorial road funds are expended under cooperative agreement with the Federal road building agencies. This is advantageous to the Territory because it permits the expenditure of a major part of the Territorial funds for local projects, since the cost of the larger projects is assumed by the Federal agencies. It has a further advantage because the only administrative expense charged to our funds is the salary and travelling expenses of the highway engineer. Last biennium this amounted to less than 2% of the appropriation.

The sixty aviation fields that have been constructed during the past three years have been of inestimable benefit to the Territory. Aviation is well established and affords rapid and safe transportation to the remote sections of the Territory. Before the close of this year it is expected that a regular air service will be established

between Alaska and Seattle. The present law is not clear concerning authorizations for expenditures for construction of facilities at landing ports for hydroplanes and this should be corrected.

Two years ago attention was invited to the fact that the Federal appropriations expire June 30th each year while Territorial appropriations expire March 31st. It was suggested that in view of the cooperative agreements which exist between these agencies the work would be facilitated if the Territorial appropriations are extended to June 30th, as this will permit more accurate and a better adjustment of expenditures. This matter should receive careful consideration.

FIRES AND FIRE PATROL

Chapter 46, Session Laws of 1927 authorized the appointment of fire wardens in certain districts and appropriated \$5,000 for the purpose of preventing and suppressing fires. Less than half of these funds were expended but excellent results were obtained and because of this law we were able to obtain the allotment of Federal funds for the same purpose. A similar appropriation should be made available for the next two years.

AGRICULTURAL COLLEGE AND SCHOOL OF MINES

Substantial progress has been made in the improvement of the Alaska College and School of Mines. The institution has received further recognition from the Federal Government. One hundred thousand acres of land have been granted to the College and the provisions of the so-called "Hatch, and Smith-Lever Acts" were extended to include Alaska. This action by Congress is significant because it is indicative of the increasing prestige of the College. Your attention is invited to the fact that while these acts provide an additional \$25,000 for the College they do not become operative until accepted by the Legislature and early action is desirable.

Under the provisions of these acts the College is entitled to additional funds from the Federal Government and is authorized to do certain extension work.

The enrollment increased during the biennium and as the excellent facilities that are available become better

known throughout the Territory, more students will go there for higher education. The Alaska Railroad has granted reduced rates for students over its lines and it is expected that the other transportation companies will meet the situation.

EDUCATION

Adequate educational facilities properly distributed throughout the Territory and available to all of the children are most essential to the future welfare of our citizens. We should exert ourselves to the utmost to provide the necessary funds so that our schools shall be as good as those elsewhere. However, we must be careful not to permit our enthusiasm to cause us to expand our school system beyond our actual needs, especially if this expansion is achieved at the expense of some other necessary function of our government.

Nearly every incorporated city in the Territory is finding it difficult to meet the burden incurred in the support of its schools. There are many outlying sections where the schools are inadequate and where there are children who are entitled to receive better training than they are given under the present arrangements. Under these conditions I believe that for the present we should devote our efforts to improving existing facilities.

The total expenses for the Territorial schools for the school years 1927-1928 amounted to \$1,227,104.26. Of this sum \$883,547.95 was taken from the General Fund of the Territory. Eighty-nine schools and seven citizenship night schools were maintained during the biennium; 476 new pupils were enrolled and 23 additional teachers were employed.

During the past two years 49 cents out of each dollar expended by the Territory was devoted to the cause of education and this does not account for the expenditures that were made by the Federal Government. The appropriations were not exceeded except in one instance which has been mentioned heretofore, but if it is the desire of this Legislature to continue to provide for the transportation of pupils and pay for the service out of the Territorial funds a supplemental appropriation must be made because we have authorized this service up to March first when the funds that were appropriated for this purpose will be exhausted.

In 1928 the Bureau of Education maintained 94 schools with an enrollment of 3,755 and a staff of 177 teachers. The Federal Government appropriated \$665,500 for education and welfare work among the natives of the Territory.

HEALTH AND SANITATION

Data compiled from reports received from physicians, nurses, and Government teachers throughout the Territory show that during the biennium there were 1,153 cases of contagious diseases. Smallpox, chicken pox, influenza, and measles occurred in many sections, but only in one or two instances did they approach the epidemic stage. Prompt relief was given as soon as reports were received by the Commissioner of Health and as a result there were very few deaths. The use of the airplane in the transportation of doctors and medicine is worthy of note because it now is possible to reach isolated sections of the Territory in a few hours whereas a few years ago it required weeks for such a trip. The policy of distributing vaccine and diphtheria antitoxin to strategic points throughout the Territory, which was inaugurated in 1926, has been continued and found to be satisfactory. However, if the residents in the outlying sections would comply with the instructions that were given to them and return the old vaccine each summer so it could be replaced with a new supply, much better results could be obtained.

It is impossible to overestimate the value of the service that has been rendered by the United States Public Health Service in examining and vaccinating the cannery employees who come to Alaska during the summer season. The results of their work are very apparent in the improved conditions in the health of the personnel and the Surgeon General has been requested to continue the service.

THE HISTORICAL LIBRARY AND MUSEUM

This institution has outgrown its present quarters and many of the exhibits cannot be properly displayed, but this situation will be cared for in the new Federal building. The present appropriations are believed to be sufficient, but because the attendants are required to devote long hours during the summer season it would be more satisfactory and better administration if the appro-

priation for the assistant could be made so that a salary of \$200 per month could be paid for perhaps five months, May to September, inclusive, each year. No doubt the curator could easily care for the work during the winter season.

PUBLICITY

More than 10,000 reports and descriptive booklets were distributed from the office of the Governor during the biennium. The benefits derived from this publicity work more than justify the cost and unless other arrangements are made for this work the appropriation should be continued.

REPORTS

An audit of the Treasurer's books has been made as directed by Chapter 77, Section 7, Session Laws of 1913 and the report is available for your consideration. The report of the auditor contains information of great value and should be available for the public. It is suggested that you should consider the advisability of printing it, either in part or in its entirety, for distribution.

Reports of the several departments of the Territorial Government have been prepared by the officials in charge and they will be transmitted to you in accordance with instructions contained in the laws. The law requires that certain of these reports shall be printed, but no appropriation was made for this purpose, hence the necessary funds were taken from the Emergency Fund. These reports merit your careful consideration; they are not carelessly compiled statements written merely to comply in a perfunctory manner with the letter of the law, but some of them have been in preparation ever since the last session of the Legislature and they contain the results of careful consideration of the problems presented by the officers who, because of long association with their work, are in a position to give expert advice on the subjects contained therein.

The last appropriation bill carried certain items aggregating \$6,450 to supplement the Federal appropriations, including personal services at the Governor's House, travelling expenses of the Governor, entertainment of representatives of the United States and foreign nations, and repairs to the Executive Mansion. There is some doubt

as to the validity of these items and they have not been expended. The justification for the appropriations is not material here, but the reasons for questioning their validity are of the utmost importance in considering future appropriation bills. It is contended that all items in a general appropriation bill are invalid unless they are made pursuant to the authorization contained in a specific law. In other words, an item in the general appropriation bill, to cover the rent for a building for example, is not valid unless there is a specific law authorizing someone to rent the property. Past appropriation bills have contained numerous items which were subject to attack for the reason stated and the matter is submitted at this time so that we may avoid similar mistakes in our next appropriation bill.

Chapter 60, Session Laws of 1925 provides that the Treasurer shall prepare and send to the Legislature a budget of the probable revenues and expenditures for the ensuing biennium. This law should be made more effective and the budget officer, or preferably a budget board, should be given authority to exercise administrative control over the estimates for appropriations that are made by Territorial institutions and submit to the Legislature only those items which, in the opinion of the Board, are justified, otherwise a budget law is ineffective and can serve no useful purpose.

The budget as submitted does not contain estimates to cover the cost of moving the offices to the new building when it is completed. It is suggested that a small amount be added to the appropriation for the contingent expenses of each office to meet this contingency.

From time to time I shall transmit to you additional reports and recommendations as occasion may arise.

There is a vast amount of work that must be done in a limited time. We should make every effort to dispose of it as expeditiously as possible, consistent with a thorough consideration of each subject under discussion. The closing days of every session are nearly always occupied by matters that could have been disposed of earlier if they had been pressed. This confusion is not compatible with that mature deliberation which is essential to sound judgment and I hope that we may have all important measures disposed of well before adjournment.

In closing I wish to state that the Governor's office and all other Territorial offices are ready and willing to aid and facilitate your work throughout the session. We shall be glad at all times to discuss matters frankly and fully with you. Only by close cooperation and a clear understanding between the Legislative and Executive branches can we achieve real success.

I sincerely hope that the welfare of all of the people in our great Territory will be the controlling factor in your deliberations.

MESSAGE OF GOVERNOR GEO. A. PARKS.

On motion of Mr. Murray, seconded by Mr. Dimond, a vote of thanks was extended to the Governor and conveying the deep appreciation of the joint session for the masterly manner in which he has acquainted himself with the matters and affairs referred to in his message. Motion carried.

Rev. Henry Young, Chaplain of the Senate, offered prayer.

Thereupon the joint session adjourned.

IN THE HOUSE.

The House was called to order at 3:40 P. M., by the Speaker, all members being present except Representative-elect McCain.

Mr. Murray moved, seconded by Mr. McCormack that the message just received in joint session be spread in full in the permanent journal, but need not be included in the advance sheets. Motion carried.

REPORT ON STANDING COMMITTEES.

Mr. Winn, of the Committee on Committees, submitted the following report:

REPORT OF SPECIAL COMMITTEES.

House of Representatives,

Juneau, Alaska, March 6, 1929.

We, your Committee on Committees, recommend the