## SPECIAL MESSAGE

OF

THE GOVERNOR

TO

## THE LEGISLATURE

## **EXTRAORDINARY SESSION, 1915**

March 13, 1915.

To the Honorable Members of the Senate and House of Delegates: Gentlemen:

Owing to the fact that you have been unable to agree upon any measures to take care of the state's depleted financial condition, I venture to send you a final communication upon this most important subject. I feel, on account of the great emergency confronting us, the welfare of the state institutions, both charitable and educational being subjected to great peril, that I can justify my action in this regard.

In my several messages to you, I have called your attention in each of them to our dire needs, and of the distressing condition in which our institutions are placed at the present time for the want of substantial financial support. There were many items of merit vetoed in the appropriation bill that had for their purpose the caring for these institutions and should be re-instated, in the event revenue is provided to take care of them. Allow me to appeal to you to think seriously of the situation and let your cool, deliberate judgment prevail, and by mutual agreement accommodate one another in such a way that no special industries or sections will be subjected to a greater burden than another, and even up the responsibilities of the

tax burden among each other in the respective districts and counties in which the different kinds and classes of business are located, by the enactment of revenue measures, so all will be made to assume an equal share of the tax burden necessary to continue the state's progress in such a way that we can all be proud of our state's growth and development.

One of the members of your honorable body submitted a financial statement to the Senate at its opening session on March 12th, a copy of which was furnished to me, and I have had a comparative analysis made with the state's actual financial condition. I am submitting a copy of the result to you for your consideration that you may see the gross inaccuracy and misleading conclusions it brings when the figures are submitted to the acid test of a comparative statement with the state's actual financial condition. Taking its liabilities and resources and submitting them to the simple process of addition and substraction, and the result that will be obtained is indeed conclusive and convincing, and most simple of understanding.

	Exhibit No. 1	Exhibit No. 2
Direct Levy	\$1,400,000.00	\$1,300,000.00
Charter License Tax	1,250,000.00	1,175,000.00
White Bills (Not passed by House)	200,000.00	
Biennial period	\$5,750,000.00	\$4,950,000.00
Special appropriations, 1916-1917	\$4,328,292.55	\$3,776,892.00
Deficit 1915 for money used in 1914	346,000.00	624,000.00
Salaries 1916-1917	375,000.00	444,175.66
Delinquents and costs	300,000.00	300,000.00
	\$5,349,242.55	
Old appropriations, (No mention made)  Transfer to General School Fund for 2 years, (No mention made)		\$ 850,000.00
		800,000.00
		\$6,795,067.00
Residue	\$ 401,807.45	
Deficit		\$1,845.067.00

The difference in the two tables is two and one quarter million dollars.

It is certainly to the interest of this administration to conduct the state government on the smallest amount of financial outlay possible. I feel that the fact that there was a deficit of \$480,000 in the state treasury when this administration assumed charge, and the fact that the deficit was reduced \$134,000 the first year is indicative of our efforts in the interest of economy, and notwithstanding the fact that the state fund will not receive approximately \$600,000 from the liquor licenses in the present year, as has been the case in previous years, the deficit will increase only \$278,000 from July 1, 1914 when it amounted to \$346,000 at the beginning of the year, to \$624,000 approximately at its close, July 1, 1915.

You may have concluded that the present available resources are sufficient to take care of the deficit and outstanding liabilities of the state, but such is not the case. The Board of Public Works pointed out to you some few days ago that it would be necessary to have \$1,800,000 of new revenue to take care of the state's accured deficit and liabilities outstanding, and the appropriation bill passed as vetoed by the Governor, at the regular session, for the ensuing biennial period. There will be no fund available to pay current obligations beginning with the first of the coming month until the end of the fiscal year, unless provisions are made by your honorable body in this regard. Not only is this true, but the funds that will be available at the conclusion of this year will not be sufficient to take care of the state institutions and it will be necessary to curtail the force at these different institutions and the different state departments, thereby crippling the efficiency of the administration of state government.

I am giving to you a concrete financial statement showing what will be necessary to do to enable the administration to keep within its revenue limitations as prescribed by law, if no additional revenue is provided. I give you this information, assuring you at the same time that I have no inclination to dictate as to what you should or should not do in adopting any particular methods for the purpose of raising revenue to meet the state's needs, and that I stand willing and ready to adopt and support any equitable method that a majority of you may decide upon, for the purpose of raising revenue to meet our financial conditions and give it my hearty support and approval. I am willing to take my part of the responsibility for any censure that may come from your action in this regard, and when I have assumed this position and called your attention specificially to the state's financial condition,

I feel I have performed my full duty and by doing so I have transferred to you any burden or responsibility in this connection that I have devolving upon me. I give to you here—in case no additional revenue is provided for—the final result as to what the state's depleted financial condition will resolve itself into, and what it will be necessary for the Board of Control and those in authority to do to keep within the present available revenue of the state.

Estimated deficit July 1, 1915	\$ 624,000.00
1915	850,000.00
1915 appropriation bills, after veto	4,220,967.55
	\$ 5,694,967.55
Transfer to General School Fund for 2 years	800,000.00
Total	\$ 6,494,967.55
Estimated receipts from all sources including 10 cent levy, for 2 years July 1, 1915 to July 1, 1917	\$ 4,650,000.00
Deficit if all appropriations were expended, and if \$800,000.00 were transferred to General School Fund	\$ 1,844,967.55
instead of the General School Fund, then the deficit would be increased	173,000.00
Or, total deficit	\$ 2,017,967.55
If no new buildings are commenced then there could	
be saved out of the \$850,000.00 old appropriations on account of new buildings  Out of the remaining part of the \$850,000.00 old	300,000.00
appropriations there will expire and can be saved	150,000.00
Total	\$ 450,000.00

Deducting the above \$450,000.00 from the above total required, \$1,844,967.55, there would remain to be	
saved in the way of a liability unprotected	\$ 1,394,967.55
If the Board of Public Works are authorized to not transfer the \$800,000.00 to the General School	
Fund then there would remain to be saved	594,967.55
Estimating that 5 % of the new appropriations will	
not be expended	200,000.00
Then there would remain to be saved, in the way of	
a liability	\$ 394,967.55

The above amount could be saved by reducing the University, its branches, the Normal Schools, and the two colored schools, 40 per cent.

If the Board of Public Works must transfer the \$800,000.00 to the General School Fund, then a cut, equivalent to the total appropriation of the West Virginia University, its branches, Normal Schools and two colored schools, together with the \$450,000.00 saving in old appropriations heretofore referred to and the 5 per cent saving on the total bill and \$100,000.00 from some other sources must be made, to bring the state's liabilties within its available resources for the ensuing biennial period. In case no additional revenue is provided by the Legislature, no alternative will be left other than to carry out the retrenchments in strict conformity with the state's financial condition.

These conclusions have been reached by the Accounting Department and the Board of Control, so when you are in possession of these facts you have all the complete and full information obtainable, as well as the inevitable results which must follow if some provisions are not made looking towards the providing of funds sufficient to take care of the state and the institutions that have grown from eight to more than twenty-eight in the last twenty years, and whose demands for greater and more substantial financial support have been increasing year by year on account of the increasing demands that have been made upon them. All of these facts and figures have been pointed out to you and it is a waste of time for me to again submit them at this time. After all of these facts and figures have been submitted to you, I ask you in the name of all the people to give serious and deliberate consideration to the great responsibility which rests upon your shoulders, and for which the people are looking to you for results.

Assuring you of my earnest desire to assist you in any way I can in arriving at a solution of this perplexing situation, I am,

Respectfully,

March 13, 1915.

Governor.



