

The State tax for public schools for the year 1906 was 15 cents on each \$100, and for the years 1907 and 1908, 16 cents on each \$100, being the entire State tax for the two years last mentioned. Inasmuch as it became necessary to levy a tax sufficient to provide for the interest and create a sinking fund for the State Roads Loan, and the Legislature deeming it unwise to increase the State tax rate, but at the same time to provide against any diminution of the school fund, fixed the tax rate for the year 1909 at 14½ cents for Public Schools and at 1½ cents for State Roads Loan, and for the year 1910 at 12½ cents for Public Schools and at 3½ cents for State Roads Loan, aggregating for each year 16 cents. Therefore to recoup this loss of revenue to the schools of 1½ cents and 3½ cents, the Legislature of 1908 made a direct appropriation from the Treasury proper of \$75,000 for the year 1909 and \$206,250 for the year 1910 under Chapter 254, subtitle "Schools."

But, by such action, the Legislature made a heavy drain upon the ordinary receipts of the Treasury, especially when there is considered the further payments of \$37,000 to Approved High Schools, \$46,500 to Manual Training and Industrial Schools and \$27,500 to Academies and Seminaries, so that there has been paid during the past fiscal year for the purposes above mentioned the sum of \$186,000 without any tax to meet the same, while like demands for the fiscal year 1910 will exceed \$320,000. If it therefore be your purpose to continue this amount of revenue to the purposes mentioned, you must levy a tax to meet the same.

During the month of October, 1909, there was paid, in accordance with law, the sum of \$86,500, to Approved High Schools \$40,000 and to Manual Training and Industrial Schools \$46,500. This amount falling due at the very beginning of the fiscal year, at which time the heaviest demands are made upon the Treasury, becomes burdensome and, in my judgment, should be made in quarterly instalments, and I therefore respectfully recommend that an amendment be made to the statute covering this feature. Indeed, I would recommend that all appropriations to public or private institutions likewise carry this provision. Many officials of our institutions are of the opinion that because their appropriations for the