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*May 29 1899*

# RUTHERFORD B. HAYES

As Governor of Ohio.

Tax Rates Reduced, Public Debt Diminished,  
Public Institutions Improved, Reform in Elections Secured,  
. Democratic Testimonial.

## A RECORD THE PEOPLE ARE PROUD OF.

General HAYES took his seat as Governor of Ohio for the first time in January, 1868; for the second in January, 1870; and for the third in January, 1876. During his administrations, and in accordance with his recommendations, the State debt was largely diminished, tax rates were reduced, public charities promoted, education advanced, the authority of the State over-consolidated and powerful corporations asserted and established, obnoxious laws swept away, important reforms instituted, the power to impose municipal indebtedness and taxes restricted, the resources of the State developed, the fifteenth amendment to the Constitution of the United States ratified, etc. All these things have been accomplished with such utter (but characteristic) absence of ostentation and self-assertion as to leave the general public ignorant of the important part he bore in them, and to remit the inquirer to the tomes of executive documents as the only source from which to obtain information on this point. Nothing short of a rigid cross-examination under compulsory process would be effectual to extort such information from the Governor himself.

These are matters of local concern. But as they may serve to give some idea of what may be expected of RUTHERFORD B. HAYES, called to a larger theater of action, some of them and his relation thereto are given from official sources more in detail.

### STATE DEBT AND FINANCES.

The amount of taxes collected yearly for State purposes in Ohio is nearly five million dollars. These are expended in support and on account of the Judiciary, the Executive, and Legislative Departments, the administration of the criminal laws, the various State penal, reformatory, and charitable institutions—numbering twelve in all, with about five thousand inmates—common schools, and the State debt. The Governor is charged with responsibility in the disbursement of the public revenues in that he is required by the Constitution "to see that the laws are faithfully executed."

At the beginning of Governor HAYES's service the State debt amounted to **\$11,931,341.56.**

In the four and a half years of his service it has been reduced by **\$2,773,406.05,** or about twenty per cent. of the principal.

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The average yearly reduction during his administrations has exceeded that of other administrations since 1860 by **\$10,701.19**, and that of the only Democratic administration in the period, Governor ALLEN'S (1874-1875), by **\$208,541.87!**

In January, 1868, he found the aggregate State levy on the dollar at **3.5** mills.

When he retired, in 1872, it stood at **2.9** mills.

This reduction of sixth-tenths of a mill affected a saving annually in State taxes of **\$914,593.86**.

True, the grand duplicate had been meantime increased, but the extraordinary demands upon the State Treasury had increased in larger proportion. The Central Lunatic Asylum at Columbus was burned Nov. 18, 1868, causing the death of six patients, and leaving without shelter 400 more. Its immediate rebuilding was a public necessity. The disaster made apparent the duty of protecting other asylum buildings from a similar fate. The Reform School for Girls, and the Soldiers' and Sailors' Orphans' Home having been established, necessary buildings were to be erected. The extraordinary expenses thus rendered imperative for public buildings (to say nothing of current expenses of the new institutions) amounted to over four hundred thousand dollars during his two terms. After his retirement in 1872, the State rates were increased. In 1875 they aggregated **3.1** mills to the dollar. During his present term the aggregate has been again fixed at **2.9** mills. The saving by this reduction amounts to **\$319,715.16**.

#### LOCAL TAXATION AND DEBT.

Over four-fifths of the taxes in Ohio (and this is generally true in all the States) are imposed by local authorities for local purposes, in pursuance of general laws. It is the burden of local taxation that is felt and causes complaint among tax-payers. To this subject Gov. Hayes has given particular attention. He has constantly sought, in all proper ways and on every occasion, to have the powers of local officers to levy taxes and incur indebtedness restricted and confined within the limits of the public needs. His efforts in this direction constitute one of the marked features of his administrations.

Despite his endeavors, the sixty-eighth General Assembly (Democratic), at its last session (1869), enlarged the taxing powers of local authorities, and for some purposes authorized taxes and debts in unlimited amounts. He was not vested with the veto power, and the only resort was an appeal to the people. The question was made an issue by the Governor in the State political campaign of 1869, and he took the stump in favor of restricted local taxation.

In his opening speech, after referring to the course of the recent legislation on this subject and the depression in business matters, he said :

"In this condition of the financial affairs of the State, and in the embarrassed and depressed condition of the business of the country, the duty of the Legislature was plain. They were to see that no unnecessary additional burdens were imposed upon the people; that all wholesome restraints and limitations upon the power of local authorities to incur debts and levy taxes should be preserved and enforced, and especially that no increase of liabilities should be authorized except in cases of pressing necessity. \* \* \* The acts of the last Legislature in relation to local debts and local taxes are of the most extraordinary character. These acts relate to raising money for county purposes, for township purposes, for city and village purposes, and for special purposes. These taxes or debts are levied or incurred under the direction of County Commissioners, Township Trustees, or of city or village councils, who derive their authority exclusively from State legislation. The State Legislature has therefore the control of the whole matter. \* \* \* A candid investigation will show that the larger part of these enormous burdens of expenditure, debt, and taxation could and ought to have been avoided. The last Legislature afforded

examples of the worst evils to which legislative bodies are liable—long sessions, excessive legislation, unnecessary expenditures, and recklessness in authorizing local debts and local taxes. These evils 'have increased, are increasing, and ought to be diminished.' Let there be reform as to all of them."

This subject was pressed by him with great power and effect in all his speeches throughout the State. And the election resulted in returning a Legislature in favor of reform in these particulars.

In his next annual Message to the Legislature he said :

"The Constitution makes it the duty of the Legislature to restrict the powers of taxation, borrowing money, and the like, so as to prevent their abuse. I respectfully suggest that the present laws, conferring these powers on local authorities, require extensive modification in order to comply with this constitutional provision. Two modes of limiting these powers have the sanction of experience. All large expenditures should meet the approval of all those who are to bear their burden. Let all extraordinary expenditures, therefore, be submitted to a vote of the people, and no tax be levied unless approved by a majority of all the voters of the locality to be affected by the tax, at a special election, the number of voters to be ascertained by reference to the votes cast at the State election next preceding such special election. Another mode is to limit the rate of taxation which may be levied, and the amount of debt which may be incurred. It has been said that, with such restrictions upon the powers of local authorities, the Legislature will be importuned and its time wasted in hearing applications for special legislation. The ready answer to all such applications by local authorities will be to refer them to their own citizens for a decision of the question."

The Sixty-ninth General Assembly, at its first session, (1870), made great advances in the direction pointed out. The power of municipal taxation was largely curtailed. Still, the evil had not been fully remedied. The Governor was dissatisfied. In his Message to the Legislature, at its second session, he used this strong language :

"The increase of local taxation has been far greater than the growth of the State in business, population, and wealth. It is not to be doubted that this burden has grown to dimensions which seriously threaten the prosperity of the State. In respect to these evils it is undoubtedly easier to find fault than to provide a remedy. No single measure will remove them. Probably no measures which the General Assembly can adopt will of themselves accomplish what is desired.

"A complete reform is impossible, unless the city, county, and other officers are disposed and thoroughly competent to do the work of cutting off every unnecessary expenditure. Much, however, can be accomplished by legislation. \* \* \* Let the General Assembly firmly adhere to the policy of the Constitution, and refuse to enact special laws granting powers to tax or make assessments. Let such powers be exercised only in pursuance of general laws. Local authorities should be empowered to levy no higher rate of taxation than is absolutely required for practical efficiency under ordinary circumstances. In extraordinary cases general laws should provide for the submission of the proposed tax or assessment to the people to be affected by it, under such regulations that it cannot be levied unless at least two-thirds of the tax-payers approve the measure. One of the most valuable articles of the present State Constitution is that which prohibits the State, save in a few exceptional cases, from creating any debt, and which provides for the payment at an early day of the debt already contracted. I am convinced that it would be wise to extend the same policy to the creation of public debts, by county, city, and other local authorities. The rule 'PAY AS YOU GO' leads to economy in public as well as in private affairs; while the power to contract debts open the door to wastefulness, extravagance, and corruption."

The Legislature at that session greatly reduced the local rates and restricted expenditures. The grand duplicate had increased, it is true, in four years a little less than thirty per cent., making a reduction of rates necessary. But such reduction, recommended without reference to the increase of duplicate, was made out of proportion to it, as will be seen by the following statement :

#### **CITIES AND VILLAGES.**

Before reduction, the aggregate rates upon the dollar authorized by law for all municipal purposes, except school, amounted to—in villages, **34.75** mills; in cities, second class, **35.75** mills; in cities, first-class, **36.75** mills. After the reduction, to—in villages from **8** to **10** mills, according to grade; in cities, second class, **9** to **12** mills, according to grade; in cities, first class, **12** to **16** mills, according to grade—*reduction of rates being more than sixty per cent.*

## COUNTIES.

The aggregate of rates of levy upon the dollar for ordinary county purposes in 1869, ranged from **3.5** to **18** mills, according to amounts of county duplicates. After the reduction it ranged from **1** to **13** mills—the reduction being *thirty-five per cent.*

## TOWNSHIPS.

The aggregate township rates for ordinary purposes were reduced from **4.5** to **2.55** mills—a *reduction of over forty-three per cent.*

It is estimated—and an exact statement wrought out would increase the estimate—that, under a full levy for ordinary purposes, before the changes in the law in 1870 and 1871, the local taxes in the State would exceed those authorized by law after such changes by **Seventeen Million Dollars.**

The Governor's suggestions that local authorities be forbidden to embark in large expenditures without the sanction of a majority vote of those to be affected thereby, were also adopted. The sum thus saved to the taxpayers of Ohio in taxes and assessments can never be known with certainty. But clearly it runs into the millions.

Though the rates were reduced as low as it was practicable to get along with, the power of incurring indebtedness was not, at the same time, sufficiently curtailed. Debts were created in anticipation of taxes, and debts to pay debts. The Legislature had only adopted half the Governor's remedy, until 1874, when his rule "to pay as you go," in its full meaning, was applied to Cincinnati by what was known as the "Worthington bill." So, in his last Message to the Legislature before retiring (1872), he reminded it of this increase. He said:

"The increase of local indebtedness still continues. \* \* \* I respectfully repeat, as the remedy for this evil, the recommendation heretofore made that all public debts be prohibited, except in cases of emergency analagous to those specified in Sections 1 and 2, Article 8, of the Constitution."

Coming again into the Governor's chair in 1876, he takes up his old theme, in his inaugural, as follows:

"The attention of the Legislature has often been earnestly invoked to the rapid increase of municipal and other local expenditures, and the consequent augmentation of local taxation and local indebtedness. This increase is found mainly in the cities and towns. It is certainly a great evil. How to govern cities well, consistently with the principles and methods of popular government, is one of the most important and difficult problems of our time. Profligate expenditure is the fruitful cause of municipal misgovernment. If a means can be found which will keep municipal expenses from largely exceeding the public necessities, its adoption will go far toward securing honesty and efficiency in city affairs. In cities, large debts and bad government go together. Cities which have the lightest taxes and smallest debts are apt, also, to have the purest and most satisfactory governments. \* \* \* The wisdom of the policy long since adopted, of placing a judicious limitation on the power of municipal authorities to levy taxes, has been vindicated by experience. It must, however, ultimately fail to accomplish its object if the increase of municipal indebtedness is allowed to go on. To authorize a town to contract a debt whose expenditures already require taxation up to the limit allowed by law is, in its necessary effect, tantamount to a repeal of the limitation."

The Legislature soon after took the remaining step, and by an act prohibited municipalities from incurring debts beyond the amounts actually in their treasuries to meet them. The Attorney-General of the State, answering some inquiries as to the construction of the act, in a letter dated June 22, 1876, said: "The continuous augmentation of municipal debt and taxes was the evil to be remedied. The Legislature met this by requiring towns to pay as they go, or not go at all."

The people of Ohio may now reasonably indulge the expectation expressed by the Governor (in case the Legislature adopted the measures he proposed, as it has now done substantially), "that within a few years the burdens of debt now resting upon the cities and towns of the State will disappear, and that

other wholesome and much-needed reforms in the whole administration of our municipal government will of necessity follow the adoption of what may be called the cash system in local affairs."

### PUBLIC INSTITUTIONS.

Governor HAYES has a heart brimful of compassion for the unfortunate, helpless, and afflicted. The efforts and success with which he has wrought to ameliorate their condition, together with his labors in behalf of the soldiers' and sailors' orphans, form another striking feature of his administrations.

The State Board of Charities has been his constant aid and dependence in much of this work. He early asked and obtained an enlargement of its powers. After his retirement, in 1872, it was abolished. On returning to the chair of state in January last he requested the Legislature to reinstate it, and it was done.

### SOLDIERS' ORPHANS' HOME.

The following extract is from his second Message :

During the war for the Union the people of this State acknowledged their obligation to support the families of their absent soldiers, and undertook to meet it, not as a charity, but as a partial compensation justly due for services rendered. The nation is saved, and the obligations to care for the orphans of the men who died to save it still remain to be fulfilled. It is officially estimated that 300 soldiers' orphans, during the past year, have been inmates of the county infirmaries of the State. It is the uniform testimony of the directors of county infirmaries that those institutions are wholly unfit for children; that in a majority of cases they are sadly neglected; and that even in the best infirmaries the children are subject to the worst moral influences. Left by the death of their patriotic fathers in this deplorable condition, it is the duty of the State to assume their guardianship, and to provide support, education, and homes to all who need them."

The following beautiful and touching passage is from his second inaugural, delivered a few days after the foregoing :

"Under the providence of God the people of this State have greatly prospered. But in their prosperity they cannot forget 'him who hath borne the battle, nor his widow, nor his orphan,' or the thousands of other sufferers in our midst, who are entitled to sympathy and relief. They are to be found in our hospitals, our infirmaries, our asylums, our prisons, and in the abodes of the unfortunate and the erring. The Founder of our religion, whose spirit should pervade our laws, and animate those who enact and those who enforce them, by His teaching and His example has admonished us to deal with all the victims of adversity as the children of our common Father."

The Legislature did not further delay action. At that session it established the Ohio Soldiers' and Sailors' Orphans' Home at Xenia, where over six hundred of the orphans contemplated are receiving an education, and being instructed in the arts of industry, at the expense of the State, and in fulfillment of its obligation. To bring this about, the Governor was untiring in his efforts.

### CHRONIC INSANE.

Before General HAYES' advent to the Gubernatorial chair, no suitable or permanent provision had been made by the State for its chronic insane. Speaking on this subject, and of the number and condition of these unfortunate, in his Message of January, 1870, he said :

"The State should no longer postpone making suitable provision for these unfortunate people. The treatment they receive in infirmaries and jails is always of necessity unsuited to their condition, and is often atrocious. To provide for them, I would not recommend an increase in the number of asylums for the insane. It is believed by those best acquainted with the subject that both economy and the welfare of the patients require that the chronic insane should be provided for by additions to the asylums already built, or to those which are now building. It is probable that in this way such patients can be supported at less expense to the people of the State than in the infirmaries and jails. However this may be, their present condition imperatively demands, and I trust will receive, the serious consideration of the General Assembly."

The Legislature at that session embodied these suggestions into a law, and made permanent provision for the chronic insane by additions to the several

asylums. The wisdom of the measure, both upon economic and humane grounds, has been fully vindicated by experience since.

Under his administration the eight great asylums of the State—the insane, idiotic, deaf and dumb, and blind—have made great advancement in management and the care and amelioration of their inmates, caused in part by the improvement of their buildings. His visits, in company with his wife, the noblest of women, to and inspection of them have been frequent, and always with suggestions for their betterment.

### OHIO PENITENTIARY.

Passing by the Reform School for Girls, established during the Governor's first term "for the instruction, employment, and reformation of exposed, helpless, evil-disposed, and vicious girls," and also the Reform Farm for Boys, in both of which he ever manifested a deep interest, a few words may not be out of place concerning the Ohio Penitentiary. Referring to this institution, Governor HAYES, in an early Message, said:

"A large proportion of the convicts when admitted are quite young. The age of about one-third does not exceed twenty-one years. More than two-thirds of the inmates of the prison are now under thirty years of age. It will occur to any one who considers the facts that under our system of prison discipline too little effort has heretofore been made to reform these young men. A high authority has said: 'No human being is so debased and wicked that he cannot be reclaimed.' It is believed that under a wise system the young at least can be reformed and prepared for useful and worthy citizenship. The present system has two capital defects—the mingling in intimate association of the young with the hardened criminals, and the failure to educate the convicts in habits of thrift and self-control. \* \* \* In a recent report the Directors said: 'The great mass of convicts still leave the Penitentiary apparently as hardened and as dangerous to the State as they were when sentenced. The vital question is how to remove this reproach from our penal legislation. In considering it I commend to you the remarks of the Board of State Charities on the Irish convict system. The distinguishing merit of that system is that it enlists the co-operation of the prisoner in his own amendment without withholding from him the punishment due to his crime.' \* \* \* I submit that the least that ought now to be attempted is to provide for a classification of convicts so as to separate beginners in crime from hardened offenders."

The reforms suggested were partially carried out by the Legislature at that session. It provided for the removal of youthful convicts from the Penitentiary to the Reform Farm or the Reform School, as the case might require. Other reforms were instituted by the Directors. Increased rewards for good conduct were given discharged prisoners. The aggregate of these rewards in money nearly doubled every year from 1868 to 1872, being in the latter year \$5,598, although the number of convicts discharged was not materially increased. This was in addition to gifts of clothing, etc. In this way the "prisoner's co-operation was enlisted in his own amendment."

The Governor refers to the progress made, in his next Message, thus: .

"Under prudent and efficient management the earnings of the Penitentiary continue to exceed its expenses, and at the same time gratifying progress has been made in improving the condition of the prisoners. The hateful and degrading uniform of past years is disappearing; increased means of education, secular and religious, are afforded, and the officers of the institution exhibit an earnest desire to employ every instrumentality authorized by existing laws to restore its inmates to society, improved in habits, capacity, and character."

Referring to the success of the reforms instituted, the directors, in a subsequent report, say:

"We are beginning to learn that there are few who are so depraved as to be destitute of redeeming qualities, and that there are as few who are not made malicious and revengeful by cruelty and tyranny."

The earnings of the institution had never equaled its ordinary expenses



before Governor HAYES' time but once, the last year of Governor Cox's administration, when they exceeded such expenses by \$17,813.50.

The average yearly excess of earnings over ordinary expenditures during four years' service was \$32,590.59.

The average yearly excess in the four years following was \$22,948.33.

Difference in his favor per year, \$9,542.26.

### GEOLOGICAL SURVEY OF OHIO.

This great work was undertaken in 1869, on the recommendation of Governor HAYES in his first Annual Message. It has resulted in material advantages to the State far beyond all expectations. It has given an impetus to the coal and iron development that has made the State among the foremost in the production of these minerals.

### MINORITY REPRESENTATION IN BOARDS OF ELECTION.

In his Message of November, 1868, the Governor discussed the evils of frauds upon the ballot-box and the remedies therefor at great length. "To corrupt the ballot-box," he said, "is to destroy our free institutions. Let all good citizens, therefore, unite in enacting and enforcing laws which will secure honest elections." Among other things he urged that the minority party be given a representation on election boards.

In his Message of 1870 he again, in strong terms, urges this "measure of reform in the manner of conducting elections." "A fair representation of the minority will go far, not only to prevent fraud, but what is almost of equal importance, remove the suspicion of fraud."

There had been grave legal and constitutional questions in the way of securing minority representation on election boards, as was thought. But Governor HAYES, himself an astute and profound lawyer, had no difficulty with these. A plan was hit upon to avoid them. The law was enacted, and the minority party in each election precinct secured a representation among the judges of election. Then the wonder was why HAYES' plan was not thought of before. It has proved to be one of the most valuable reform measures ever adopted in the State. The public have become satisfied that elections since have been fairly conducted by the judges. The charge of fraud in their conduct is now rarely made.

And the Governor, during his entire administration, has carried out the principle of minority representation in appointment of public boards and officers, *without a single exception.*

### THOUGHTS ON FUNCTIONS OF GOVERNMENT, ETC.

Governor HAYES would not seem to be a disciple of the paternal theory of government: In his first inaugural is found this language:

"Excessive legislation has become a great evil, and I submit to the judgment of the General Assembly the wisdom of avoiding it."

In his second inaugural, 1870, are these sentences:

"Convinced of the soundness of the maxim, that 'that government is best which governs least,' I would resist the tendency common to all systems to enlarge the functions of government. The law should touch the rights, the business, and the feelings of the citizens at as few points as is consistent with the preservation of order and the maintenance of justice. If every department of the Government is kept within its own sphere, and every officer performs faithfully his own duty, without magnifying his office, harmony, efficiency, and economy will prevail."



It might be inferred from the following what he thinks on the supremacy of the civil authority over the military in time of peace. Under a state of circumstances existing in Ohio in May last, it became his duty under the law to call out a part of the Militia of the State for a few weeks' service to suppress and prevent riots. In his written instructions to his Adjutant-General commanding, he said:

"You will act strictly in subordination to, and use force in any instance only at the request of, the civil authorities.

"You will locate your command at such place or places as will best effect the objects aimed at, being careful not to infringe private rights; but in no case shall any of your command be quartered in any house without the consent of the owner."

The doctrine that corrupt officials should be exposed and punished is not a recent one with Gov. HAYES. In his farewell Message to the General Assembly in 1872, speaking upon this subject, he said:

"What the public welfare demands is a practical measure which will provide for a thorough and impartial investigation in every case of suspected neglect, abuse, or fraud. Such an investigation, to be effective, must be made by an authority independent, if possible, of all local influences. When abuses are discovered, the prosecution and punishment of offenders ought to follow. But even if prosecution fail in cases of full exposure, public opinion almost always accomplishes the desired object. A thorough investigation of official corruption and criminality leads with great certainty to needed reform."

Other reforms and matters inaugurated and occurring under his administrations, such as that requiring the open letting of contracts for public buildings and improvements (whether State, county, or municipal) to the lowest responsible bidder, upon estimates, plans, and specifications in detail, after advertisement in the public press; the founding of the Ohio Agricultural College; the reformation and simplification of the criminal practice in the courts; the ratification of the fifteenth amendment, etc., etc., merit extended notices. But this review is already swelled beyond proper limits.

Suffice it to say, that no Chief Magistrate of any commonwealth ever, perhaps, more generally and beneficently influenced the affairs and polity of his State. The Governor's Messages may be traced in almost all their important features to the statute-books. The elevated tone of his official life has been imparted to subordinates, and is manifested in all the departments of the State Government.

#### TESTIMONIAL FROM THE DEMOCRATIC PARTY.

It is fitting that this review close with a testimonial from the Democratic party. On motion of Gen. W. H. Ball, a leading Democrat in the Ohio House of Representatives of the Legislature, immediately following Governor HAYES' retirement, a committee of five was raised to investigate the administration of State affairs covering the period from 1868 to 1872, with General Ball as its chairman. After a most searching investigation the committee reported through its chairman:

"The special committee appointed under House resolution No. 113 report as follows: The examination has taken a wide range. One hundred and nine witnesses, residing in various parts of the State, have been subpoenaed and examined touching public contracts and expenditures, construction of public buildings, conduct of public institutions, etc. All matters, without reference to the date of their occurrence, coming to the knowledge of the committee, that seemed to promise any probability of throwing any light upon the subjects of inquiry, or any of them, have been diligently inquired into.

"Your committee take pleasure in reporting that, so far as elective officers and their subordinates are concerned, very commendable honesty and fidelity have been observed, and that in the official conduct of no public officer, whether elective or appointive, has corruption been disclosed."