

ANNUAL REPORT

OF THE

Comptroller of the Treasury

OF THE

STATE OF NEW JERSEY,

TO THE LEGISLATURE.

From November 30th, 1865, to November 30th, 1866.

TRENTON, N. J.:

PRINTED AT THE OFFICE OF THE STATE GAZETTE.

1867.

REPORT.

STATE OF NEW JERSEY,
OFFICE OF COMPTROLLER OF THE TREASURY,
TRENTON, January 8, 1867.

To the Legislature:

STATE DEBT.

The debt of the state at the close of the fiscal year, November 30, 1866, was three million three hundred and ninety-five thousand two hundred dollars (\$3,395,200), evidenced by the sale and delivery of certain bonds, authorized by law, as follows, to wit: By act of tenth of May, 1861, the Governor and Treasurer, for purposes of war, were directed to borrow an amount of money not exceeding two million dollars, on the issue of six per cent. bonds, exempt from taxation, none of which were to be made payable at a later date than the first day of January, 1885. The bonds were issued and sold to the limit prescribed by the act. By supplement approved March 24, 1863, the same officials were authorized to borrow, for the same purposes, an additional million of dollars, issuing therefor the bonds of the state, at the same rate of interest and with similar exemption as to tax, and no bond of this series was to be made payable later than the first day of January, 1896. By a further supplement approved April 14, 1864, it was rendered lawful for the Governor and Treasurer to borrow on the credit of the state, for like purposes, such sums of money which, with the moneys borrowed under preceding acts, should not exceed four millions of dollars, and to issue and negotiate the bonds of the state at six per cent., none of which should have a longer time to run than the first day of January, A. D. 1902; but these bonds were not exempted from taxation, and none of them were sold prior to the passage of the act of April 4, 1866, which in its preamble stated that four millions of dollars had been appropriated by the former acts hereinbefore referred to, for paying the expenses incident to the suppression of the rebellion, and that not more than three millions of dollars had been borrowed by authority

of said acts, leaving authority to borrow a million of dollars more; and since the state was indebted more than six hundred thousand dollars for expenses incident to said suppression, this act provided that the Governor and Treasurer might borrow the sum of one million of dollars and issue bonds therefor, and dispose of the same at public or private sale, as they might deem proper.

Of the four million loan thus authorized, bonds for three million three hundred and ninety-five thousand two hundred dollars (\$3,395,200) have been issued, leaving a balance unappropriated of six hundred and four thousand eight hundred dollars (\$604,800) or bonds for that amount remain unissued. The first law passed upon this subject, or the one authorizing the creation of a debt not exceeding two millions of dollars, provided that not more than one hundred thousand dollars thereof of principal moneys should be paid in any one year. The same provision is found in the supplement of 1863, except that in the latter it is enacted that no part of the principal moneys borrowed under that act shall be paid before the year 1886, and the further supplement of 1864 declares that not more than two hundred thousand dollars of principal of the bonds thereby authorized to be issued should be made payable in any one year, and no part thereof should be payable before the year 1897. It follows, therefore, that these bonds, which compose the evidence of the state debt, are payable in instalments, and at different times between the year 1865 and the year 1902. The assignment of payment of principal, January 1, 1868, is ninety-nine thousand five hundred dollars. To this must be added the interest which will accrue on the principal of the bond debt January 1, 1867, and also on the principal not due, or the interest payable July 1, 1867, on three million two hundred and ninety-five thousand seven hundred dollars at six per cent. by the year, which amounts to the sum of two hundred thousand seven hundred and twenty-seven dollars and, added to the principal money to be paid in that year, makes an aggregate of three hundred thousand two hundred and twenty-seven dollars. The payment of these sums is made the duty of the Commissioners of the Sinking Fund, from the moneys of the fund furnished them by the Treasurer, whose business it is to pay over to them all moneys raised by law and received by him for the purpose of liquidating the principal or interest of this bond debt.

STATE TAX.

Last year the amount of state tax levied was \$350,000, of which \$280,000 were specially appropriated to the payment of bonds matured and interest accruing. During the last fiscal year the bond debt has been increased seven hundred and twenty-two thousand dollars and hence a larger appropriation of the state tax for the redemption of matured bonds and the payment of interest will become necessary.

MUNICIPAL DEBTS.

By act approved March 21, 1866, the counties, cities, towns, townships and other municipal corporations of this state, were directed to prepare and forward to the Comptroller, at the earliest practicable period, a succinct statement, properly certified, of all moneys expended by them, in support of the late war for the preservation of the Union, and shortly after the passage of this act, application was made to this office, by direction of one of the official departments at Washington, for information as to the aggregate amount of bounty paid by the local authorities of New Jersey on account of the rebellion. Circulars were accordingly sent, of date March 30, 1866, to all the corporations, above named, earnestly desiring them to report to this office before the first day of May then next ensuing, to the end that report might be made at Washington, in hope of reimbursement.

Returns came in from every county, city, township and town, except the following, viz: From Hamilton, Mullica and Weymouth, in Atlantic county; from Centre, Delaware and Gloucester, in Camden county; from Millville, in Cumberland county; from Bloomfield, East Orange, South Orange, and the town of Orange, in Essex county; from Bayonne, Harrison and North Bergen, in Hudson county; from Tewksbury, in Hunterdon county; from South Amboy, in Middlesex county; from Hanover, Jefferson, Morris and Washington, in Morris county; from Raritan, in Monmouth county; from Jackson and Stafford, in Ocean county; from Manchester, in Passaic county; from Lower Alloways Creek and Pittsgrove, in Salem county; from Hardyston, in Sussex county; and from Greenwich, Hope and Lopatcong, in Warren county. And with these exceptions, the returns show the aggregate amount of bounties paid, or indebtedness incurred on account thereof, in each county and the townships, cities, or towns therein, except Bergen county, in which no bounties were raised by townships, as follows, to wit:

Atlantic County	-----	\$135,188 00
Bergen	" -----	946,661 81
Burlington	" -----	1,434,968 34
Camden	" -----	802,439 46
Cumberland	" -----	650,755 78
Essex	" -----	3,749,258 50
Gloucester	" -----	608,290 00
Cape May	" -----	162,931 33
Hudson	" -----	3,401,469 11
Hunterdon	" -----	1,099,791 68
Mercer	" -----	1,658,852 04
Middlesex	" -----	1,403,809 52
Morris	" -----	652,176 26
Monmouth	" -----	1,067,286 86

Ocean County-----	167,533	50
Passaic "-----	896,198	69
Salem "-----	878,898	25
Somerset "-----	781,738	00
Sussex "-----	644,915	80
Union "-----	1,551,945	68
Warren "-----	752,880	16

Making a grand total of----- \$23,447,988 77

moneys absolutely contributed by the patriotism of the people to the purposes of war, and to pay the principal and interest of which requires heavy taxation in the several counties, cities and townships, and added to the state debt of \$3,395,200, swells into an aggregate of \$26,843,188.77.

But the state tax is by no means so oppressive. Last year it was \$350,000, which, if levied in the shape of a capitation tax, without respect to sex or age, would be less than forty-five cents to each person, the population of the state by its census of 1865, being very nearly eight hundred thousand, or if assessed upon the property owners therein, the rate of taxation would be less than one-tenth of one per cent. upon \$467,918,324, which is the valuation by the United States census of 1860, of the real and personal property in this State.

In the Comptroller's report of last year it was suggested that the state tax in succeeding years might be diminished, but such suggestion will hardly apply to the current year, mainly for the reasons that, *first*, no part of the claim which the state holds against the United States on war account has been paid since the publication of that report, and at this time that claim amounts to seven hundred and seventy-seven thousand five hundred and sixteen dollars and seventy-six cents (\$777,516.76), and, *second*, on account of the large extraordinary appropriations, some of them continuing for years, made by the last legislature, and which will hereinafter be referred to specifically.

STATE PAY.

In addition to the war debt, which is the only debt the state owes, certain claims incident thereto must be discharged. It is true that peace has returned to our land, but the expenses of war must be provided for, for they still continue. There remains for adjustment in this office, claims of families and widowed or dependent mothers of soldiers, amounting to seven thousand two hundred and thirty-eight dollars and thirty cents (\$7,238.30). The whole number of naval recruits from this state, recorded, is three thousand three hundred and fifty-eight. The single men, of course, receive no pay from the state, but the families of married men and the widowed or dependent mothers of single men are entitled to six dollars per

month by the statute, and two hundred and fifty of such families and mothers are, at the present time, so entitled. The whole number of colored troops registered, is two thousand five hundred and sixteen of which one hundred and five families or widowed mothers are equally entitled to the state pay. By the statute of last year, the First Cavalry and Tenth Infantry were included in this matter of bounty, their single men being entitled to receive from the state, for the time specified in the statute, \$2 each per month and the families of those married, and widowed or dependent mothers to \$6 per month.

Of the single men of these regiments, or those registered as such, four hundred and thirty-three (433) are yet to be paid off, and the families and mothers entitled are three hundred and sixty-three (363).

There are also names of soldiers on the roll of every regiment of New Jersey volunteers filed in this office, in whose behalf no claim has yet been made for any pay or bounty whatever.

To liquidate these military claims will require, it is supposed, seventy thousand dollars during the present year.

CIVIL ACCOUNT.

The receipt of moneys on the civil account of the state as furnished by the Treasurer, during the last fiscal year, for there is no accurate record of receipts in this office for reasons hereinafter stated, was six hundred and seventy thousand four hundred and sixty-two dollars and twenty-eight cents, (\$670,462.28), and his disbursements on the same account six hundred and nineteen thousand three hundred and thirty-six dollars and fifty-two cents, (619,336.52), and the balance of fifty-one thousand one hundred and twenty-five dollars and seventy-six cents (\$51,125.76) is in favor of the state.

WAR FUND.

The War Fund account has received one million one hundred and thirty-two thousand nine hundred and sixty-nine dollars and fifty-one cents (\$1,132,969.51,) and has paid out one million and seventy-five thousand three hundred and fifty-two dollars and fifteen cents, (\$1,075,352.15), and the balance in favor of the fund is fifty-seven thousand six hundred and seventeen dollars and thirty-six cents (\$57,617.36).

SCHOOL FUND.

The receipts of the School Fund, including the balance of the year 1865, were one hundred and eight thousand three hundred and forty dollars and ninety cents, (\$108,340.90), and the disbursements were one hundred and nineteen thousand three hundred and fifty-six dollars and twenty-two cents, (\$119,356.22), or the latter exceeds the former eleven thousand one hundred and eighty-seven dollars and

eighty-five cents, (\$11,187.85), four thousand dollars of this excess were advanced by the state to and in aid of the school fund, and charged against it, which was one hundred and seventy-two dollars and fifty-three cents, (\$172.53) more than was required by the fund, and consequently this balance in bank stands to its credit.

BANK NOTE REDEMPTION FUND.

The total amount standing to the credit of the several banks interested in the Bank Note Redemption Fund at the commencement of the last fiscal year, was twenty-four thousand one hundred and nineteen dollars and eighty-eight cents, (\$24,119.88) and the amount disbursed for the redemption of the notes, &c., during that year, was four thousand four hundred and fifty-four dollars and thirty-five cents, (\$4,454.35) leaving a balance in favor of the fund, of nineteen thousand six hundred and sixty-five dollars and fifty-three cents, (\$19,665.53) and this balance has been deposited in bank by the Treasurer.

AGRICULTURAL COLLEGE FUND.

The receipts of the Agricultural College Fund have been eighty-eight thousand six hundred and eighty-nine dollars and five cents, and its disbursements eighty-eight thousand one hundred and forty-three dollars and ten cents, the balance, five hundred and forty-five dollars and ninety-five cents, (\$545.95) which the state owed, has been deposited in bank by the Treasurer.

The foregoing cash balances standing to the credit of the respective funds, in the aggregate, amount to one hundred and twenty-nine thousand one hundred and twenty-seven dollars and thirteen cents, (\$129,127.13).

Of the foregoing receipts and disbursements it is necessary to remark that in the School Fund, Agricultural College Fund, and the Bank Note Redemption Fund, of which the Treasurer is custodian, the State has no beneficial interest, or rather has no power to appropriate the revenue thereof, except in the direction prescribed by law, but with regard to the State and War Funds the case is far different. Here the moneys received and disbursed are state moneys; they belong to the people, and it becomes important to know whether the receipt or disbursement is technical or real. In the receipts of the state account, for instance, is found an item of \$96,084.61 transferred from the War Fund for balance due the State Fund from December 1, 1865. But, clearly, this transfer from one account to another has not enriched the treasury, which owns both funds, one fund has here gained as much as the other has lost, but the treasury has neither gained or lost a dollar.

PUBLIC SCHOOLS.

Last year eighty thousand dollars were appropriated to public schools, forty thousand dollars of which were to be contributed by the School Fund, and in pursuance of this law the trustees of that fund made the following apportionment, payable in moieties in May and November, among the several counties, viz:

Atlantic County	\$1,408 78
Bergen "	2,573 29
Burlington "	5,915 60
Camden "	4,101 58
Cape May "	848 72
Cumberland "	2,690 78
Essex "	11,769 55
Gloucester "	2,195 48
Hudson "	7,465 50
Hunterdon "	4,005 99
Mercer "	4,453 21
Middlesex "	4,143 60
Monmouth "	4,683 42
Morris "	4,128 00
Ocean "	1,330 33
Passaic "	3,453 55
Salem "	2,673 28
Somerset "	2,625 55
Sussex "	2,838 38
Union "	3,306 78
Warren "	3,384 63

\$80,000 00

But the School Fund could not pay from its revenues the amount assigned to it by the statute, and the deficiency of four thousand dollars was made good from the state treasury. The reason for this deficiency is patent. Two years since there were fifty-five banks doing business in New Jersey, either under special charters or under the general banking law; at the date of the last report from this office, but nine survived, the others under the enabling acts of 1865, had either commenced operations under the national banking law or had surrendered their charters. Now these fifty-five banks had all paid tribute to the School Fund, the general law banks paying one-quarter of one per cent. annually upon their capital to the fund, and the special banks one-half of one per cent. in the same direction. In 1865 the amount received was forty thousand eight hundred and thirty-three dollars and fifty-eight cents (\$40,835.58), in 1866 but six thousand dollars and sixty-two cents (\$6,000.62), showing a clear loss to the fund in one year of thirty-four thousand eight hundred and thirty-two dollars and ninety-six cents (\$34,832.96).

The income of this fund is derived from interest on bonds, dividends on stocks, &c. The largest portion of this income is derived from mortgage bonds, which, until recently, had paid but six per cent. annually, but towards the close of the last legislature a concurrent resolution was adopted directing the trustees of the fund to require of the several obligors interest thereafter at the rate of seven per cent. by the year. On the fifteenth of March, 1866, a law was passed fixing the legal rate of interest throughout the state at seven per cent., and shortly after its passage a resolution was adopted by the trustees of the fund requiring all those bound by bond and mortgage thereto, whose obligations had matured, to enter into stipulations to pay the increased rate of interest under penalty of foreclosure.

Accordingly a circular was prepared in this office containing, substantially, the resolution of the trustees, with form of stipulation, and sent to every obligor whose bond was secured by mortgage, and sealed stipulations in every case but two have been executed and returned to the Treasurer. But this resolution did not extend to other securities held by the fund. The trustees of the fund by act of March 7, 1837, were directed to lend the New Jersey Railroad and Transportation Company one hundred thousand dollars at six per cent., the interest payable semi-annually, and the principal payable at twelve months notice, with the privilege reserved to the state of investing the same in the capital stock of the company at *par* within seven years after the passage of the act, which privilege is now forfeited by lapse of time, so that it appears, that of the securities held by the fund, one hundred thousand dollars thereof pay an annual interest of only six per cent.

The ordinary revenue of the school fund, during the last year, was forty-eight thousand and seventy-seven dollars and thirty-eight cents (\$48,077.38). During the present year the income may be increased somewhat from larger investments in bonds and mortgages, but not sufficiently to enable the fund to contribute forty thousand dollars to the general school appropriation of the year, repay the four thousand dollars advanced by the state, maintain the teachers' institutes, pay incidental expenses, and have any surplus to invest.

If it is the intention of the legislature to continue the appropriation of public schools at eighty thousand dollars, then in justice to the school fund the state should at least contribute five-eighths and the school fund three-eighths of that sum. That is, the state should appropriate fifty thousand dollars annually to this most benign and gracious enterprise, the education of its children, in comparison with which, every other plan of state aggrandizement, however brilliant, devised by the wit of man "must pale its uneffectual fire." The free schools of the state, all things considered, are most excellent, and are annually conferring upon the people benefits more precious than any that can be computed in

federal money alone. The state census of 1865 has been completed, and returns the number of children between the ages of five and sixteen years at one hundred and ninety thousand seven hundred and eighty-seven. The school moneys are apportioned according to the number of children between the ages of five and eighteen years, hence, the number entitled to the benefits of the appropriation must be greater than the number above indicated; yet, take the number as it stands and divide it into forty thousand dollars and you have a quotient of something less than twenty-one cents to each child.

PUBLIC PRINTING.

The disbursements on account of the public printing are less by three thousand one hundred and eleven dollars and twenty-four cents (\$3,111.24), than they were in the year 1865; yet they are four thousand six hundred and ninety dollars and eighty-eight cents (\$4,690.88) beyond the amount estimated in the report from this office of last year. This is owing to various causes: *First*, to the increase in volume of the pamphlet laws, journals of the house and legislative documents. *Second*, the legislative documents are now printed by persons other than the current printers of the legislature; and, *Third*, to an increase in the newspapers of the state, which publish the laws therein. The laws of the last year were not delivered to the Treasurer, before the month of November, at least seven months after the adjournment of the legislature. This is all wrong. It was one of the crimes charged upon a Roman Emperor, that he issued his rescripts, and then hung them so high upon pillars that no one could read them. Our plan is equally disadvantageous to the judges, magistrates, lawyers and in short to every citizen, for there is a statute, that no public law shall take effect until the fourth day of July ensuing its passage, yet it is most common to add a section to the bill, that the same shall take effect immediately. Some of these bills contain penalties, yet they take effect forthwith according to their terms. It is submitted that this ought not to be so.

It would be of great benefit to the public service, if the printing of the laws, journals and legislative documents, were removed from the sphere of party politics and given to the man or men who would do the work thoroughly, accurately, cheaply and with despatch. They should be persons of capital, or those who could command it, so that the state should not be importuned from time to time, for advances to be made to the contractor, in order to enable him to pay for the very paper upon which the work is done, and as long as they perform the work conscientiously and to the acceptance of the legislature, they should not be disturbed, whatever party should happen to be in the ascendant.

It is made the duty of the Secretary of State, as soon as practicable after the passage of a law, to have the same copied for the press,

with marginal index; he is to designate the laws by chapters, deliver them to the printers, superintend the work and correct the proofs. If the secretary and the printer happen to live in different parts of the state, great delay must ensue from the transmission by mail or otherwise, backwards and forwards of the proof sheets. Again, it will happen if the printer is possessed of small means or appliances of doing the work, that he will be behind his copy, that is, will not be able to keep up with the copy furnished him by the secretary. The law declares, that the printer shall, within two months after he receives copy, deliver to the Treasurer as many volumes of the work, as shall be directed by law, and if he fails to do so, he forfeits one quarter of his compensation. But the forfeiture is a nullity for the reason that the printer, although he may have copies of a hundred chapters in his office, which he has been unable to set up, can always plead that the two months begin to run from the delivery of the last copy. This non-delivery in time of the laws to the state treasurer has been growing from bad to worse for many years, and the legislature should apply a suitable remedy. Let a law be passed, directing the printer to deliver his work complete at Trenton within thirty days after the legislature adjourns, under forfeiture of compensation. It is certainly true that the laws are more voluminous now than formerly, yet it is believed that ample time would be allowed by this provision.

COSTS AND TRANSPORTATION.

For the bills of costs of convicts sentenced to the State Prison, and their transportation thither, during the last year, there were paid from the treasury thirty-five thousand one hundred and eight dollars and forty-two cents (\$35,108.42). This is far above the estimate of last year, and is owing partly to the increase of crime, with the increase of population in the state, and in the large cities on either side of it, and partly to a law passed March 21, 1866, which enacts, that sheriffs, coroners or other officers serving compulsory process, beyond the limits of their respective counties, shall receive in addition to the fees now allowed by law, their travelling and other expenses, to be sworn to by the officer, certified to as reasonable by the public prosecutor, and to be included in the taxed bill.

STATE PAY TO FAMILIES.

For the year ending November 30, 1865, there was paid from the treasury for the families or widowed or dependent mothers of volunteers, and to discharged soldiers or the representatives of such as were deceased, the sum of five hundred and forty-two thousand and eleven dollars and fifty-four cents (\$542,011.54), whilst last year the disbursements on the same accounts were one hundred and sixty-four thousand five hundred and seventy-six dollars and thirty cents (\$164,-

576.30), showing a reduction in twelve months of three hundred and seventy-seven thousand four hundred and thirty-five dollars and twenty-four cents (\$377,435.24.)

SOLDIERS' CHILDRENS' HOME.

By act of March 7, 1866, an appropriation of thirty thousand dollars was made to the Soldiers' Childrens' Home for the purchase of site and buildings, and for the maintenance of each child therein, at the rate of \$37.50 for each per quarter, or \$150 per annum for each pupil. The number of pupils thus far has averaged forty, and the cost to the state is therefore about six thousand dollars a year. This provision in respect to the pupils is limited to ten years.

HOME FOR DISABLED SOLDIERS.

The act establishing a Home for Disabled Soldiers, approved March 23, 1865, appropriated ten thousand dollars for the procurement of a site, thirty thousand dollars for buildings, and ten thousand dollars for furniture and fixtures, and by a supplement thereto, approved April 3, 1866, the commissioners were authorized to lease for a period of ten years a suitable site, and to rent or purchase any buildings thereon, and to enlarge, alter, repair or erect buildings suitable for the said Home, and one thousand dollars per annum were appropriated for the rent, and the 3d section of this supplement provides that the moneys heretofore appropriated by the act of 1865 might be applied, as far as necessary, to the payment of the said rent and support of the institution, and under these laws twenty-two thousand eight hundred and seventy-four dollars and thirty cents (\$22,874.30) have been drawn by the commissioners during the past year.

REFORM SCHOOL.

The Reform School was created by act of April 6, 1865, and fifteen thousand dollars were appropriated for the purchase of land, buildings, &c., and a further act, approved March 21, 1866, appropriates sixty thousand dollars more. During the past year, forty-nine thousand four hundred and twenty-eight dollars and twenty cents (\$49,428.20) have been paid from the treasury on this account.

LUNATIC ASYLUM.

The managers of the Lunatic Asylum were, authorized, in 1865, to build wings on either side of that edifice, and the cost was not to exceed sixty thousand dollars. By act of March 20, 1866, one hundred

thousand dollars were appropriated as the cost price, the money to be paid as called for, provided that not more than thirty-five thousand dollars in addition to the thirty thousand dollars already expended, be paid during the current year. During the past year that limit has been attained.

STATE PRISON.

By act of February 28, 1866, twenty thousand dollars (\$20,000) were appropriated to the use of the keeper of the State Prison, for paying the present indebtedness and defraying other expenses of the prison during the current year, in addition to the sum of ten thousand dollars annually loaned to him by a former law; and these sums have been disbursed on this account.

BLIND, DEAF AND DUMB, IDIOTS.

According to the last semi-annual accounts furnished this office, it appears that sixty-six pupils from this state are maintained at the public charge, in the asylums for the blind, deaf and dumb, and idiots, in other states, viz.: In the Blind Asylums of Philadelphia and New York, twenty-five persons; in those of the Deaf and Dumb, in the same cities, twenty-six persons; in the American Asylum for the Deaf and Dumb, at Hartford, Connecticut, two persons; and in the Training School for Feeble Minded Children, at Media, Pennsylvania, thirteen persons; and at the cost in the aggregate of fifteen thousand nine hundred and fifty-four dollars and twenty cents (\$15,954.20) for the past year. All these institutions have specific appropriations made to them annually by law: To the blind, nine thousand dollars (\$9,000); to the deaf and dumb, eight thousand dollars (\$8,000); and to the training school, three thousand dollars (\$3,000), yet none of them have exhausted the annual appropriations. In the case of the blind and the feeble minded, the law provides that the undrawn balances of any one year shall be added to the appropriation of the current year. It is believed that, for several years past, the disbursements to each have been less than the annual appropriation; but these institutions have not been credited with these balances, although it is the intention of the Treasurer hereafter to remedy this defect. Unless this is done, a special appropriation for the school at Media will become necessary, since at the last session of the legislature the terms of tuition and maintenance, including clothing, in that school, were raised from two hundred and twenty-five dollars to three hundred dollars per annum for each pupil.

The cost of each blind pupil is three hundred dollars annually, with clothing, and that of each deaf and dumb pupil, except those at Hartford, is two hundred and forty dollars annually, and if the Governor should be satisfied that the parents or friends of the beneficiary

are in indigent circumstances, he may order the payment of twenty-five dollars more per annum for clothing. At Hartford the charge is lower than the rate fixed by the legislature.

STATE MILITIA.

The state militia cost the treasury last year seventy-two thousand one hundred and thirty-one dollars and six cents (\$72,131.06), a great advance beyond the estimate. It is not probable that so large a sum will be required for the expenditures of 1867; for the uniforms, in very many cases, have been furnished by the state to the non-commissioned officers and privates, the wearers of which can receive no pay for any service under the law until the sums charged against them for such uniforms have been liquidated.

ADDITION TO STATE CAPITOL.

In 1863, ten thousand dollars were appropriated for the purpose of adding a wing to the State House, for the use of the library and committee rooms, to be disbursed by the Commissioners of the State Library. In 1864, \$16,000 were added to this appropriation for a library, executive chamber, and rooms for other needful purposes in this wing. In 1865, \$5,000 were added to those appropriations for procuring shelving and furniture for the new library room, for altering the old library room for the accommodation of the United States courts, to set apart and arrange some suitable room in the State House as a jury room for said courts, to procure the necessary furniture for the executive chamber and committee rooms, and to furnish the office of Comptroller; and in 1866, \$8,000 were added to the former appropriations, for furnishing the executive chamber, for furnishing and ornamenting the library room, and for altering, furnishing and preparing certain rooms for the use of the courts of the United States. In all \$39,000 were appropriated to the objects stated above, of which \$36,320.43 have been expended, leaving a balance of \$2,679.57 to the credit of this fund, and which may, in whole or in part, be hereafter required to furnish the court rooms, executive chamber, and to ornament the state library.

ORDINARY REVENUE—WHENCE DERIVED.

The ordinary revenue of the state is derived from few sources—from transit duties on railroads and canals, from tax on capital stock of railroads, from fines, forfeited recognizances, assessments on private legislative acts, from fees of foreign deed commissioners, from dividends and interest on stocks and bonds, and from license fees. The transit duties on railroads and the Delaware and Raritan Canal Company are fixed by law, and so is the tax upon the capital stock of

certain railroads. The dividends and interest upon stocks and bonds are settled by the directors or the contract, and the license and commission fees by law.

Transit Duties.—It is found by comparison with last year that the transit duties of the Camden and Amboy Railroad and Transportation Company and the New Jersey Railroad and Transportation Company have decreased, while those of the Delaware and Raritan Canal Company have increased. This is owing probably to the fact very generally understood elsewhere that the cessation of the war has occasioned great diminution of railroad travel and transportation, whereas, by the return of peace, the transportation of heavy merchandise has been increased.

Tax on Capital Stock.—The payment on the capital stock of certain railroads is also far below the returns of the preceding year, which is owing in great measure to the receipt in November, 1865, of \$51,219.64 in advance of the time when payable, which was January, 1866, and which properly belonged to the income of the last year.

Other Sources of Revenue.—From the other sources of ordinary state revenue, which are fines and forfeited recognizances, assessments on private acts, commissions, fees and licenses, the aggregate receipt exceeds the receipt of the previous year by nearly six thousand dollars; and it is computed that the receipts of the state during the current year from the ordinary sources of revenue, including the balance in bank and excluding any portion of the state tax, will not be less than \$450,000.

Assessments on Private Acts.—Can any of the streams flowing from these sources of revenue be increased in volume? The receipt from the assessment of private legislative acts last year was \$7,872, against \$4,199.60 received the year before. This is a large increase, but no larger than it ought to be at present rates, if the constantly increasing bulk of the pamphlet laws is considered. In 1863 the volume contained 565 pages, and in 1866, 1,159 pages. During the war there were large numbers of bounty acts passed for the several counties, townships and cities of the state; these were by construction public acts without any clause so enacting, and helped in great degree to increase the size of the book which contained them. But it is found by comparison, that although the last legislature convened nine months after the war had closed, its pamphlet laws were nearly one hundred pages more than those of 1865, and more than double those of 1863. This must have been owing to the increase of private laws.

Every act put in the pamphlet laws increases not only its volume, but the cost to the state. The act approved March 6, 1858, entitled "An act to increase the revenues of the State of New Jersey," provides that no private act shall be enrolled in the office of the Secretary of State, or published, or have the force and effect of law, unless certain fees are paid; and a supplement thereto, approved March 18, 1859, declares that so much of the former act as prohibits the enrollment or publication of any private act, is thereby repealed; and in

the second section of this supplement it is provided, that if the parties interested shall fail to pay the assessment before the first day of July, ensuing the passage thereof, the law shall be void.

Therefore it may happen, as it has happened, that the Secretary of State may enroll the bill and give copies to the public printer before the first day of July, and yet the parties interested may not have paid their assessment fees. By this non-payment of assessment fees, laws may be found in the printed book, which are declared void. But how is the citizen to know this? He finds the void as well as the valid law in the book, and he ascertains from the revision of 1846 that all laws heretofore or hereafter printed by the authority of the state, shall in every court thereof be received in evidence, anything in any law to the contrary notwithstanding. By this foisting of a private law declared to be void, into the statute book, the public are deceived, the size of the book is increased, and the officer for furnishing copy and making marginal index, and the printer for his materials, composition and press work, &c., are paid from the treasury.

If the state "is governed too much," as the world is said to be, then this is one of the appliances by which the thing is done, the unnecessary multiplication of the laws. Why should any insurance company, or manufacturing company, or banking company ask of the legislature a special charter, when there are general laws under which they might organize? Simply because the special charter is the cheaper and more expeditious, and perhaps the safer expedient.

If they make this choice they should pay for it. It is submitted, that at present rates, these fees do not reimburse the state for the expenses which are annually paid out of the public fund in this regard, and that the legislature cannot go amiss, if they enact a law raising the rates of assessment from thirty to fifty per cent.

Fines and Forfeited Recognizances.—From fines and forfeited recognizances, the receipts of last year have exceeded those of the year before, \$1,468.71. The wonder here is that any revenue at all should be derived from this source, owing to the vagueness of the laws upon this subject, and the indifference which accounting officers very generally feel towards the discharge of duties which are gratuitous, not encouraged by the reward of fees or enforced by the fear of penalties.

The law provides "that every sheriff shall annually at the close of his office, or within one month thereafter, pay into the treasury of this state such sums of money as he shall have collected or received in virtue of executions issued against recognisors, or arising from fines and amercements awarded by any court against any offender or offenders," with certain exceptions as to the fines and amercements, under penalty of forfeiting \$200 for each offence. But why should the sheriff pay over these moneys annually at the close of his office or within one month thereafter, and not immediately upon their re-

ceipt? These moneys belong to the state, and should be promptly transferred to its treasury. There is surely no good reason why the sheriff, who by law is entitled to a commission of five per cent. upon the fund received by him, should retain the residue and then after the lapse of three months or thirteen months, at his option, pay it over without interest to the state. It is one of the specified duties of the Comptroller to institute and direct prosecutions against officers who are delinquent in this regard. But he must know who they are before he can report their names to the Attorney General or other prosecuting officer. The law is very explicit on this point. By the 9th section of the act relating to county clerks, it is made the duty of the clerk of every court of this state, within ten days after the term ends, to make out an abstract of fines and amercements awarded, and of the judgments on recognizance for the use of the state, and transmit the same to the Treasurer on or before the first day of November annually, and for every neglect or refusal, he shall forfeit and pay \$100. This abstract is to contain the names of the persons fined and amerced, and of the judgment debtors on recognizance, with the names of the sheriff and county collector.

By the 6th section of the act relative to the office of Secretary of State, approved the same day with the act last above referred to, it is enacted that the clerks of the Pleas of the several counties, shall transmit a similar abstract to the Secretary of State, at the same time and under the same penalties as designated in the act relating to the county clerks; and the act creating the office of Comptroller directs, that the abstracts required by the law, in regard to the Secretary of State, shall be transmitted to the Comptroller instead of the Secretary. Very few of these abstracts have been returned to this office, and for the reason, that the law hitherto has never been enforced. Hence there is no fear of the penalty, and as the clerks receive no compensation for their service, it is generally pretermitted. If the law were enforced, and it is the intention hereafter that it shall be, and if a supplement were passed allowing sheriffs to retain five per cent. of all moneys collected or received by them on forfeited recognizances, when execution has not issued against the recognisors, the income from this source might be materially increased. As the law now stands he is to receive this commission only on moneys collected or received by virtue of executions, whereas it is well known that parties sometimes settle before the scire facias is awarded, and at other times before execution has issued.

Railroads and Canals.—Of the thirty railroads and canals that made report to the last legislature, but six have paid anything into the state treasury during the past year. The companies and amounts paid were as follows, to wit:

Camden and Amboy Railroad and Transportation Company-----	\$121,474 94
Delaware and Raritan Canal Company-----	88,491 89

New Jersey Railroad and Transportation Company----	\$66,630 12
Central Railroad Company-----	31,219 64
Belvidere Delaware Railroad Company-----	43 97
Paterson and Ramapo Railroad Company-----	1,241 12

In the aggregate amounting to----- \$309,101 69

being nearly two-thirds of the entire actual revenue of the state during the past year, if in that revenue are reckoned the payment of \$51,219,64 made to the late Treasurer at his request and before referred to, and excluding therefrom the payment of \$114,725 which the American Dock and Improvement Company, for shore front, paid into the treasury as principal moneys, and which they were not bound to pay before the year 1885.

Payments from other railroads, according to their charters, cannot be much longer delayed. The second section of the supplement to the act incorporating the Morris and Essex Railroad Company, which supplement was approved March 23, 1865, provides that the tax imposed in their charter of one-half of one per cent. upon the cost of road, and to be paid when the net earnings should amount to seven per cent. upon that cost, should be paid at the expiration of one year from the time when the road should be open and in use to Phillipsburgh, and annually thereafter. This provision was assented to by the company under its corporate seal on the 17th day of April, 1865, and the revenue accruing to the state from it, when it takes effect, will be over \$30,000 per annum.

ESTIMATE OF EXPENDITURES—CIVIL ACCOUNT.

The following estimate of expenditures for the current year is submitted. It refers only to the civil account:

For salaries of Governor, Secretary, Secretary of State, Adjutant, Quartermaster and Attorney Generals, Treasurer, Comptroller, Librarian, and Superintendent of Public Schools-----	\$13,800 00
Judiciary, circuit fees, mileage, criers, reporters, salaries, and reports-----	38,000 00
State Prison salaries, including appraisers-----	31,500 00
Lunatic Asylum salaries and appraisers-----	5,035 00
Clerk hire-----	1,605 00
Keeper of State House and grounds, repairs and fuel--	5,000 00
Legislature, per diem, mileage, salaries, &c.-----	35,000 00
Printing, including binding, paper and distribution---	55,000 00
School Fund-----	50,000 00
County patients in Lunatic Asylum-----	15,000 00
State Militia-----	58,420 00
Fees of office of Secretary of State-----	3,000 00
Stationery, binding and postage-----	3,000 00

Normal and Farnum Schools, and expenses of State	
Board-----	\$12,000 00
State Library-----	250 00
Support of deaf and dumb, blind and feeble minded----	17,500 00
Transportation and costs-----	35,000 00
Pensions, wrecks and requisitions-----	950 00
State canvassers, joint committee treasurer's accounts, &c.-----	450 00
Appropriations to geological survey and agricultural society-----	6,000 00
Contingent and incidental expenses-----	30,000 00
Expenses of trustees reform school-----	500 00
Loan to state prison, by statute, and state prison re- pairs-----	15,000 00
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	\$431,960 00

To this estimate should be added the unexpended balances of ap-
propriations heretofore made, viz.:

State Lunatic Asylum-----	\$35,000 00
Reform School-----	25,571 80
State House extension-----	2,679 57
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	\$63,251 37
Add foregoing estimate-----	431,960 00
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	\$495,211 37

The item of \$250 for the state library in the foregoing schedule is the amount appropriated annually to that office by statute. By a contract made between the United States and New Jersey, and now in force, the former agreed to pay for rent of rooms in the State House, to accommodate the federal courts, \$800 per annum; but this money, by the contract, belongs to the uses of the state library, and not to the state.

To meet the foregoing estimate of \$495,211.37, it will be necessary to apportion from the avails of the state tax, as belonging to the uses of the state, the sum of \$50,000, instead of \$70,000, which was the amount raised last year; and this sum, added to the receipts of the state from its ordinary sources of revenue and the cash balance in bank, will more than discharge every item in the estimate.

JOINT COMPANIES' STOCK.

The state is now the owner of 2,887 shares of the stock of the Camden and Amboy Railroad and Transportation Company and of the Delaware and Raritan Canal Company or of the Joint Companies, which at *par* is worth \$288,700.00. These companies intend to enlarge their capital stock, by permitting their stockholders in the

first instance, to subscribe for this proposed enlargement in the proportion of one share of stock for every four shares held by the stockholder; or in other words to issue stock at *par* to the amount of one fourth of their capitals. This option to subscribe in the case of the state expires on the first day of February next, and if the legislature intend to act in the premises, they must act promptly. The state is entitled to subscribe for seven hundred and twenty-one shares, which at *par* will cost \$72,175. If the Treasurer were authorized by law to make this subscription he has no funds with which to discharge the payments; they must be raised by tax, or the legislature might order the right or privilege to be sold or might order the stock to be subscribed for, filled up, then sold and the moneys received from such sale placed to the credit of the State Fund.

The state is now out of debt on civil account, and by the constitution the legislature is prohibited from creating any debt or debts, which shall singly or in the aggregate, exceed one hundred thousand dollars, except for the purposes of war, unless the same shall be authorized by a law for some single specified object or work and providing the ways and means of payment. This law must also be ratified by the people at a general election before it can take effect. Therefore, to borrow the money to pay for this stock as a permanent investment would seem to be inexpedient because it would curtail the power of the legislature to create debts or make appropriations beyond the exact revenue or income of the state, without appeal to the people.

His Excellency the Governor has been communicated with upon this subject and his views are herewith subjoined:

STATE OF NEW JERSEY,
EXECUTIVE DEPARTMENT,
TRENTON, January 8th, 1867.

Sir:—In answer to your inquiry as to whether or not it is for the interest of the state to subscribe for the new or increased capital stock of the Delaware and Raritan Canal and Camden and Amboy Railroad and Transportation Companies, I reply: If the state were in condition to buy and hold the stock I would certainly advise the purchase. But in view of our large indebtedness on war account and our inability to pay for the stock without making a loan for that purpose, I would prefer, if practicable, to sell the state right of subscription for such sum as it will command in the market. If this course cannot, for any reason, be adopted, I would advise a special temporary loan to the amount required for its purchase.

Yours, very respectfully,

MARCUS L. WARD.

ESTIMATE OF EXPENDITURES—WAR ACCOUNT.

In addition to the decrease during the last year, in comparison with the year before, of payments on account of discharged and deceased soldiers and the families of volunteers, it may be stated that the war disbursements have been diminished by the discontinuance of the military agency at Washington, and with it the military salary account, which in 1865 was \$5,000. The state military account also shows a reduction of \$14,500, and much of the clerical aid, which in the year before was absolutely necessary to discharge the public business at the State House, and the salaries of which were payable out of the war fund, has been discontinued.

An estimate of the moneys required during the current year to be paid on war account is hereby furnished, viz:

Unadjusted military claims in Comptroller's office-----	\$7,238 00
For First Cavalry and Tenth Infantry of volunteers-----	13,850 00
For naval recruits and colored troops-----	23,000 00
For discharged and deceased soldiers-----	8,000 00
For families of volunteers-----	17,912 00
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	\$70,000 00

To this amount must be added other expenses and the balances of appropriations or so much as may be needed the present year, and properly chargeable to war account as follows, viz:

For Home for disabled soldiers (balance of appropriation)	\$27,125 70
For Commissioners of sinking fund (salaries)-----	800 00
For clerical force in State House (salaries)-----	7,473 00
For military storekeeper, pay-roll at Arsenal, and expenses-----	6,795 00
For pension agent, salary and expenses-----	2,100 00
For soldiers' children's home (estimated at forty pupils)	6,000 00
For Antietam and Gettysburg cemeteries-----	2,000 00
For history of the war (by joint resolution)-----	4,000 00
For soldiers' certificates-----	5,000 00
For incidentals-----	18,706 30
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	\$80,000 00
To this should be added for naval recruits, &c.-----	70,000 00
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	\$150,000 00

One hundred and fifty thousand dollars may be needed therefore on war account for the current year, and towards the payment of this the Treasurer has \$57,617 36 cash balance in bank. The residue of this estimate may either be paid by the sale of bonds, here-

tofore unissued or by receiving from the United States the whole or a portion of the moneys due the state, and which now amounts, according to the treasurer's statement, to \$777,516.76, or according to the quartermaster-general's report of last year to something less.

ABSTRACTS OF RATABLES.

It is the duty by law of the assessor of every township and ward in the state, on or before the fifteenth day of September in each year, to transmit to this office an abstract of the amount of all the ratables in their respective townships and wards. This has been done in full by fourteen and omitted by, seven counties. It would seem to be very important that these abstracts should be filed, in view of the fact that the state tax is levied "on the inhabitants of this state and on their taxable real and personal property." If the assessors of any one county omit this duty the value of the property, in that county, must be reached by an estimate or by consulting the abstracts of former years which may be unfair not only to the county, whose assessors have omitted to make return, but to every other county in the state. Nor does it appear that the duty cast by the general tax law upon each county collector to make return of such abstracts to the legislature, at all absolves the assessors from the performance of this necessary and imperative duty.

CONTRACT FOR COAL.

The contract for furnishing coal at the State House for the use of the legislature, was awarded to Bodine and Darrah of Trenton, as the lowest bidders therefor. Proposals were published, in the manner, and at the time prescribed by law. Forty-five tons of stove coal were delivered at the cost of \$7.23 per ton and sixty-five tons of egg size at the cost of \$6.98 per ton. In all one hundred and ten tons at the cost of \$779.05.

COUNTERSIGNED RECEIPTS.

With regard to the treasury disbursements, this office has worked efficiently during the past year. Every claim made against the state has been examined, audited, allowed, adjusted or rejected, affidavits of the party claimant or of some one else in his behalf have been taken to establish the justice and correctness of the claim, in some cases testimony from other quarters has been sought for and obtained by the Comptroller, and where there is an allowance of the bill in full or partially by adjustment, the amount declared due has been certified to the Treasurer for payment, the warrant designating the fund or account to be debited.

This plan works perfectly, and the books of this office, in all matters of disbursement, are checks upon the books of the Treasurer.

But this is not the case with the receipts; many of these find their way into the treasury of which this office has no cognizance. For instance a bond debtor on a security belonging to the school fund and held by the Treasurer, calls upon that officer and pays the interest due upon it or sends the money or check by letter, and the amount paid is endorsed upon the bond but no notice is given to this office. Now it is the duty of the Comptroller to audit the amount due upon the bond and countersign the receipt. It makes no difference whether the money paid belongs to the state fund or the school fund, the law is imperative "that all receipts for money paid to the Treasurer" shall be countersigned, otherwise they are of no validity.

In many cases appertaining strictly to the state fund, payments large and small are made and no receipt is asked for. Of all these cases there is no knowledge in this office until it is obtained from the books of the treasury; and of course while this state of things continues the receipts are less, as shown by the Comptroller's record, than by that of the Treasurer.

This discrepancy should no longer continue. The Treasurer should be directed by law to receive no moneys belonging to any fund in the custody of the state, until the amount justly due has been audited and stated by the Comptroller. This is a substantial repetition of the suggestion contained in a former report from this office, and is by no means intended to reflect upon the Treasurer, whose competency and integrity are beyond all question, but is repeated, to the end, that a system of checks and balances may be established, by which no moneys can either get into the treasury or out of it, without the knowledge of two departments of the state government, instead of one.

BANK TAX.

It appears from the 32d section of the act approved April 11, 1866, entitled "A further supplement to an act entitled 'An act concerning taxes,'" approved April 14, 1846, that various acts and parts of acts, in relation to the same subject matter were repealed, among others the 45th section of the act of 1846, entitled "An act concerning axes," and a supplement to that act approved March 23, 1859, by which repeal the surviving state banks, whether created under the general banking law or by special charter, are relieved from the payment of any tax to the state. If this is so, the loss falls upon the school fund, but the repealing section is not as clear as it might be, and the question is reserved for further consideration.

All which is respectfully submitted,

WM. K. McDONALD,
Comptroller, &c.