GRANTED LEAVE OF ABSENCE.

On account of sickness:
Mr. Cravens for yesterday, on motion of Mr. Cureton.
Mr. Keeble for today, on motion of Mr. Jackson.
Mr. Westbrook for today, on motion of Mr. Nickels.
Mr. Robertson of Travis, indefinitely, on motion of Mr. Lee.
Mr. Reid, indefinitely, on motion of Mr. Bell.

On account of important business:
Mr. McClain for today and tomorrow, on motion of Mr. O'Bryan.
Mr. Terrell of Bexar for yesterday and today, on motion of Mr. Porter.
Mr. Morris for Wednesday and Thursday, on motion of Mr. Bowles.
Mr. Standifer for today, on motion of Mr. Davis.
Mr. Von Rosenberg for today and tomorrow, on motion of Mr. Giesen.

MESSAGE FROM THE GOVERNOR.

The Speaker laid a message from the Governor, received by him yesterday after adjournment, before the House, and it was read as follows:

Executive Office,
State of Texas.

To the Legislature:

By virtue of authority vested in me by Section 40, Article 3 of the Constitution of the State of Texas, I hereby designate and present to you for your consideration and for legislation the following subjects, and suggest legislation thereon:

1. To regulate and fix the passenger fares on all railroads in this State, and to provide for the redemption of all railroad tickets sold.

2. To enact adequate laws and amend existing laws relative to the rendition and assessment of all taxable property and the equalization thereof for taxation in this State, and to provide appropriate penalties and venue.

3. Appropriate legislation for the reimbursement of the permanent county school fund of counties in which the same has been impaired or squandered and the complete rehabilitation, protection and preservation of the permanent school fund of the counties in the future.

A quorum was announced present.

Prayer by Rev. D. N. McLaughlin.
4. To enact laws making appropriations for the necessary funds for the protection and security of the public free school lands and other public lands belonging to the State, and to better enable the State to recover such lands from trespassers and unlawful occupants, and to enact laws to secure the personal attendance of witnesses on the trial of causes instituted by the State for the recovery of all such public lands.

5. Such laws as will provide for all necessary supervision, examination and control of all banking corporations, and banks doing business in this State other than national banks.

6. Such legislation upon the subject of life and fire insurance as will provide adequate and safe insurance protection for the people of this State, and as will reduce the cost of insurance and also the hazard of loss by fire.

7. Such laws as will provide suitable penalties and venue for violations of the anti-trust laws of this State, and to check the evils of unlawful monopolies and combinations, having for their object the control of the necessities of life, and the arbitrary advance or reduction of prices thereof.

8. The enactment of laws to conform the statutes of this State to the Federal statutes upon the subject of the liability of railroads and common carriers engaged in State and interstate commerce to their employees, and to fix venue in all personal injury cases.

9. To amend and strengthen our statutes regulating the granting of liquor licenses, and the revocation and cancellation thereof, and the regulation of the liquor traffic, so as to secure the enforcement of said laws, and for such laws as will secure the enforcement of all laws respecting the liquor traffic in this State.

10. The enactment of laws to provide a system of electric power and lights and waterworks for the purpose of supplying electric power, electric lighting and water to the State Capitol, the General Land Office, the Governor's Mansion, the State University and the various public institutions of the State by the construction of the State's own plant or plants, or to contract for such electric power, electric lighting and water.

11. To amend the existing inheritance tax law and provide for the enforcement of the same, and laws providing for the collection of delinquent taxes upon property, real, personal and mixed.

12. Laws creating county courts for criminal cases, defining the jurisdiction thereof, and providing for the appointment of judges of such courts.

T. M. CAMPBELL,
Governor of Texas.

MESSAGE FROM THE SENATE.

Senate Chamber,
Austin, Texas, March 19, 1909.

Sir: I am directed by the Senate to inform the House that the Senate has passed the following bills:

Senate bill No. 2, A bill to be entitled "An Act to provide for the establishment and maintenance of an Agricultural Experiment Station in Tom Green and El Paso counties, and making the necessary appropriation thereof."

Senate bill No. 3, A bill to be entitled "An Act to provide for the establishment and maintenance of an Agricultural Experiment Station to be located in the Twenty-seventh Senatorial District, composed of Bosque, Coryell, Hamilton and Bell counties, and making the necessary appropriation thereof, and declaring an emergency."

Senate bill No. 7, A bill to be entitled "An Act to provide for the establishment and maintenance of an Agricultural Experiment Station in the Twenty-sixth Senatorial District, composed of the counties of Brown, Coleman, Comanche, Erath, San Saba, Llano, McLennon and Runnels, and making the necessary appropriation thereof, and declaring an emergency."

Senate bill No. 9, A bill to be entitled "An Act to provide for the establishment of an Agricultural Experiment Station to be located in the Thirty-first Senatorial District, composed of Denton, Montague and Wise counties, and making the necessary appropriation thereof, and declaring an emergency."

Senate bill No. 13, A bill to be entitled "An Act to provide for the establishment and maintenance of an Agricultural Experiment Station in the Nineteenth Senatorial District, and making the necessary appropriation therefor, and declaring an emergency."

Respectfully,
CLYDE D. SMITH,
Secretary of the Senate.

BILLS SIGNED BY THE SPEAKER.
The Speaker signed, in the presence of the House today, after giving due
in any event be required of such companies."

It is clear that inasmuch as the provisions of this act require the investment of at least 75 per cent of the Texas reserves in Texas securities, unconditionally, that the effect of said section is to finally reduce the premium gross receipts occupation tax from 3 per cent to 1 1/2 per cent of the gross premium receipts.

The Robertson Insurance law, which is the present law, increased the tax from 2 1/4 to 3 per cent, and the Thirtieth Legislature also repealed the law which had been in force for many years imposing an annual occupation tax of $5.00 per State purposes, $25.00 for county purposes and $25.00 for city and town purposes upon local agents of life insurance companies. The amounts from this source theretofore aggregating approximately more than $30,000 per annum. Under the present law, which is repealed by House bill No. 89, an occupation tax of $50.00 for State purposes, $25.00 for county purposes and $25.00 for city and town purposes is levied upon the general agents of life insurance companies. The bill before me provides that ultimately the sole tax collected from foreign life insurance companies in this State shall be an occupation tax of 1 1/2 per cent of the gross premium receipts, all fees and all other occupation taxes upon companies or agents being eliminated. In other words, the bill provides for a tax of 1 1/2 per cent of the gross premium receipts in lieu of both the present rate of 3 per cent and gross receipts tax, the tax of $100 for all purposes upon general agents of life insurance companies.

If this bill should become a law it would result in reducing the tax imposed upon life insurance companies doing business in this State, not organized under the laws of Texas, at least $155,000 per annum, provided the business transacted by such companies equals the business done by them in Texas during the year 1906, and it is but reasonable to assume that such business transactions would increase in proportion to the increase in population and volume of business generally. Reliable data before me shows that Texas is practically the only State in which no taxes are collected upon such life insurance business, other than the State occupation tax upon gross premium receipts, and that the average of the gross receipts in all the States, notwithstanding all the other
States impose additional taxes, is 17-1/10 per cent. I believe it clear that justice to the property taxpayers of the State would require that the minimum gross receipts tax rate, if all other taxes and fees are to be eliminated, both as to the companies and their agents, should in no event be less than 2 per cent, and in view of the fact that House bill No. 89, above referred to, requires the investment in due time of 75 per cent of the Texas reserves in Texas securities, that there is no sound reason for offering a tax reduction to secure compliance with the law.

Section 2 of the act provides that such companies may invest in Texas securities and it is suggested that the interests of the State would best be subserved by legislation securing investments of such reserves in Texas real estate mortgages, instead of Texas securities, as such investments would tend to lower the rate of interest in Texas, while investments in general Texas securities would have little tendency in that direction.

It is further suggested that if the said House bill No. 89 is approved and becomes a law the loss in gross receipts occupation taxes as a result of the reduction above mentioned will be shifted to the property taxpayers of the State, which was doubtless not intended by the Legislature. It is therefore suggested that Section 5 of said act be so amended as to provide that the occupation tax rate shall be 3 per cent upon the gross premium receipts; provided, that the company or companies having invested as much as 30 per cent of its total Texas reserves in Texas real estate mortgages shall pay only 2 5/10 per cent, and that the company or companies having invested so invested shall pay only 2 3/10 per cent, and that the company having the required 75 per cent fully invested in Texas real estate mortgages shall only pay 2 per cent.

Such legislative action as will encourage investment and reduce the interest rate to the masses of the people is needed and the gross receipts premium occupation tax on the premium receipts of life insurance companies not chartered under the laws of Texas and doing business in Texas and the graduation thereof as above outlined is suggested as a subject for consideration and legislation with that end in view and to prevent a further reduction in the State's revenues from that source. Prompt legislation in the premises is requested, as action must be taken on House bill No. 89 not later than April 3, 1909.

T. M. CAMPBELL,
Governor of Texas.

MESSAGE FROM THE SENATE.

Senate Chamber,
Austin, Texas, March 29, 1909.

Sir: I am directed by the Senate to inform the House that the Senate has passed the following bills:

Senate bill No. 27, A bill to be entitled "An Act providing for the establishment of an experimental station for the purpose of conducting experiments in agriculture, horticulture and forestry; said station to be located in the Twenty-ninth Senatorial District."

Senate bill No. 31, A bill to be entitled "An Act providing for the establishment of an additional experimental station for the purpose of conducting experiments in agriculture, horticulture and forestry; said station to be located in the Twenty-eighth Senatorial District."

Senate bill No. 38, A bill to be entitled "An Act to provide for the establishment and maintenance of an agricultural experiment station in the Thirtieth Senatorial District, and making the necessary appropriation therefor, and declaring an emergency."

Respectfully,
CLYDE D. SMITH,
Secretary of the Senate.

ADJOURNMENT.

Mr. Maddox moved that the House adjourn until 10 o'clock a. m. tomorrow.
On motion of Mr. Stoudt, the House at 5:35 o'clock p. m. adjourned until 2 o'clock p. m. tomorrow.

APPENDIX

REPORTS OF THE COMMITTEE ON REVENUE AND TAXATION.

Committee Room,
Austin, Texas, March 29, 1909.

Sir: Your Committee on Revenue and Taxation, to whom was referred House bill No. 69, have had the same under consideration, and I am instructed to report it back to the House with
discharge the duties to which he has been appointed; and

Whereas, Some man, in whose honesty and ability all the people have confidence should be appointed to and fill said vacancy; therefore, be it

Resolved by the House of Representatives of the Thirty-first Legislature, That Hon. Horace Chilton be, and he is hereby requested to forego his personal and professional interests if it be possible for him to do so, and to accept the appointment so wisely tendered him by the Governor of Texas.

Resolved further, That this resolution be adopted by a yea and nay vote, and that the Speaker of this House, the Hon. John Marshall, be and he is hereby instructed to immediately communicate the result of said vote to the Hon. Horace Chilton.

The resolution was read and a second reading was called for.

Objection was made to a second reading at this time, and the resolution went to the Speaker's table.

HOUSE BILL NO. 1 ON ENROSSMENT

(Pending Business.)

The House resumed consideration of pending business, same being House bill No. 1, providing for guarantee of bank deposits, on its passage to engrossment, with amendments by Mr. Nickels pending.

Question—Shall the amendments be adopted?

(Pending the discussion, Mr. Bartlett and Mr. Smith occupied the chair temporarily.)

(Mr. Robertson of Bell in the chair.)

MESSAGE FROM THE GOVERNOR

Mr. A. M. Barton, private secretary to the Governor, appeared at the bar of the House and, after being duly announced, presented the following message from the Governor, which was read to the House.

Executive Office,
State of Texas.

Austin, Texas, March 31, 1900.

To the Legislature:

By virtue of authority vested in me by Section 40, Article 3 of the Constitution of the State of Texas, I hereby designate and present to you for your consideration the following subjects, and suggest legislation thereon:

1. Legislation amending Article 240 of Chapter 1 of Title 45 of the Revised Statutes of the State of Texas of 1895, in reference to fees of officers to be charged and collected by certain State officers, as amended by Chapter 61 of the General Laws of the Regular Session of the Twenty-ninth Legislature, as amended by Chapter 22 of the General Laws of the First Called Session of the Thirtieth Legislature, relating to the fees charged by the Secretary of State for charters and permits, so as to fix and prescribe the fees of foreign loan companies and foreign corporations to engage in the manufacture, sale, rental, lease or operation of all kinds of cars, and to engage in conducting, operating or managing any telegraph lines in this State for permits to do business in Texas, and to regulate the fees paid by such companies.

2. Legislation for the protection of fruit trees, shrubs and plants from injurious and destructive pests or diseases, and providing the manner of treatment of diseased trees, and for the proper inspection of orchards, nurseries, forest trees and green house plants, and regulating permits of foreign individuals and nursery companies or corporations doing business in this State, and such further legislation on the subject here presented as the Legislature may deem necessary in the premises.

3. Legislation creating an independent school district in the county of Gonzales to be known as the Nixon Independent School District, with all the powers, rights and duties of independent school districts formed by the incorporation of towns and villages for free school purposes only.

4. Legislation creating a more efficient road system for Grayson county and providing for the creation of road districts in any political subdivision or in any defined district hereafter to be described in said county.

5. Legislation providing a more efficient road system for the State of Texas, and providing for the creation of road districts in any political subdivision, or in any defined district hereafter to be described in any county of the State; to provide for the issuance of bonds and for the assessment and collection of taxes, and for such general legislation on this subject as will create a more effective road system throughout the State.
6. The creation of independent school district, to be known as the Goliad Independent School District in Goliad county, Texas.

7. Laws creating independent school districts in Bowie and Nacogdoches, Montague county, Texas.

Bills covering the subjects above mentioned, with the exception of the last mentioned subject, were passed at the Regular Session of this Legislature, but on account of defects in the caption of some, and for want of the signature of the Speaker of the House of Representatives to the Goliad Independent School District bill, and the Grayson county road law, it becomes my duty to veto them, and I again submit these subjects for your consideration that you may re-enact the laws, if the Legislature so desires.

T. M. CAMPBELL,
Governor of Texas.

MESSAGE FROM THE SENATE.

Senate Chamber,
Austin, Texas, March 31, 1909.
Hon. John Marshall, Speaker of the
House of Representatives.

Sir: I am directed by the Senate to inform the House that the Senate has passed the following bill:

House bill No. 71, A bill to be entitled “An Act imposing an occupation tax upon life insurance companies not organized under the laws of this State, and fixing the rate of such tax, and prescribing the method of its collection, and declaring an emergency.”

Respectfully,
CLYDE D. SMITH,
Secretary of the Senate.

ADJOURNMENT.

Mr. Mobley moved that the House take recess to 8 o'clock p. m. today.

Mr. Ray moved that the House adjourn until 10 o'clock a. m. tomorrow.

Mr. Baker of Hood moved that the House adjourn until 9 o'clock a. m. tomorrow.

Mr. Turner moved that the House adjourn until 10:30 o'clock a. m. tomorrow, and the motion was lost.

Question next recurring on the motion to adjourn until 10 o'clock a. m. tomorrow, and it was lost.

Question then recurring on the motion to adjourn until 9 o'clock a. m. tomorrow, and it prevailed.

The House accordingly at 6 o'clock p. m. adjourned until 9 o'clock a. m. tomorrow.

APPENDIX.

PETITIONS AND MEMORIALS.

By Mr. Jennings:
Petition from Cade Farmers’ Union favoring the passage of the Cureton banking bill.

By Mr. Gaines:
Petition from Gum Springs Farmers’ Union, same as above.

By Mr. Stephenson:
Petition from Union Bluff Farmers’ Union, same as above.

By Mr. Morris:
Petition from Crossville Farmers’ Union, same as above.

By Mr. Davis:
Petition from Kurten Farmers’ Union, same as above.

By Mr. Davis:
Petition from Rock Prairie Farmers’ Union, same as above.

By Mr. Gilmore:
Petition from Gold Standard Farmers’ Union, same as above.

By Mr. Robertson of Bell:
Petition from Rogers Farmers’ Union, same as above.

By Messrs. Nickels and Stephenson:
Petition from Prairie Point Farmers’ Union, same as above.

By Mr. Von Rosenberg:
Petition from Bluff Farmers’ Union, same as above.

By Messrs. Boswell and Goodman:
Petition from West Boon Farmers’ Union, same as above.

By Mr. Bierschwalde:
Petition from Valley Springs Farmers’ Union, same as above.

By Speaker:
Petition from twelve citizens of Tom Bean, Texas, same as above.

By Mr. Cathey:
Petition from seventeen citizens of Mineola, Texas, same as above.

By Mr. Hill:
Petition from thirteen citizens of Montague, Texas, same as above.