

ON THIS DAY IN WEST VIRGINIA HISTORY AUGUST 3



West Virginia State Archives

W. C. Grauer painting of his Agricultural Mural in the West Virginia Building at the New York World's Fair

West Virginia Day at the New York World's Fair was held on August 3, 1940.

CSO: SS.8.7

Investigate the Document: (*State Papers and Public Addresses, Homer Adams, Holt, Twentieth Governor of West Virginia, January 18, 1937 to January 13, 1941*)

1. In Governor Holt's introduction, what does he state that "virtually revolutionized our plan of taxation?"

2. What year did West Virginia revise its school system, moving to the county school system?

Think Critically: How do we pay for roads and schools? What is the general sentiment among West Virginians about the state of our roads?

INAUGURAL ADDRESS

CHARLESTON

JANUARY 18, 1937¹

Mr. Koontz², Governor Kump³, and My Fellow Citizens:

It is both customary and appropriate that one inducted into the high office of Governor of West Virginia promptly state to his constituents his intentions concerning their government during the term for which he has been chosen. It gives me pleasure to do so on this occasion.

Two purposes are served thereby: First, you are informed in general terms of your chief executive's conception of an immediate governmental program. Then, ours is a popular government in which ultimate responsibility rests with the people. It is not a government of or by your officials, but by *you*, the people, through your chosen representatives. Its success is dependent upon the active interest of all patriotic citizens who are as willing to share the responsibilities of government as to enjoy its security and benefits. So, the second purpose is to enlist your sympathetic understanding of the governmental problems of the State and your aid in their solution.

I am appreciative of your confidence in entrusting to me the great responsibilities of this office. Your help is of much greater importance now. I approach my arduous duties with the single objective of meriting, in some small way, that confidence, by giving you that character of administration which you desire—an administration which may add to the comfort and happiness of our people and advance the well-being of West Virginia.

During the past four years we have witnessed several fundamental changes in our governmental structure.

¹An amendment to the State Constitution adopted at the general election in 1934 (Article VII, Section 1) changed the date on which the Governor and other State elective officials shall take office from "the fourth day of March, next after their election" to "the first Monday after the second Wednesday of January next after their election." The term of Governor Holt was the first one to commence on the date fixed in this section, as amended.

²P. D. Koontz of Charleston, chairman of the committee for Governor Holt's inaugural, was presiding.

³Governor Herman Guy Kump of Elkins, Mr. Holt's predecessor.

The adoption of the tax-limitation amendment to our State Constitution virtually revolutionized our plan of taxation and compelled the shifting of important fiscal responsibilities.

Previously, our public school system was almost entirely a local financial undertaking; it is now a joint responsibility of the State and the counties, with the difficult problem of striking between the two a balance of responsibility productive of high standards with reasonable economy.

The same amendment forced the transfer of the financial responsibility for our entire highway system to the State, which, theretofore, had charge of only the main or primary roads, while the counties had borne, from direct property taxes, the burden of the county-district or secondary system.

We have seen the repeal of State and national prohibition and the establishment in this State of a monopoly system of control.

We have seen the operation of an extended, though more or less imperfect, program for the relief of the needy during the emergency.

We are now witnessing the introduction of important innovations in our governmental services.

Our relief program is being converted into an orderly plan for sustaining those for whom employment is not expected, aid to the aged and the blind, for caring for dependent and neglected children, for rehabilitation of the crippled, and for the extension of maternal and health care and other related services, through State funds supplemented by federal grants. Aid to the unclassified needy calls for participation in the financial responsibility by both the State and the counties, introducing again the difficult problem of attaining an efficient balance, productive of reasonable economy.

We have likewise witnessed the formulation of a plan for participation in a program of unemployment insurance looking to the absorption of the shock of seasonal industrial disturbances and the avoidance of periods of great depression in business.

These items last mentioned constitute the social security program, now in its infancy and as yet untried, necessitating some experimentation, but prompted by most humanitarian impulses and believed to be economically sound.

With few exceptions, I do not contemplate basic changes in our governmental structure. I believe that the recent remodeling is satisfactory and realize that the innovations must be more or less evolutionary in their development.

We now have a balanced budget. We must and shall continue it. I shall ask the legislature to make provision for budget control that will insure the keeping of our expenditures within our revenues. This can be done only by restricting the expenditures and dependent services, should business conditions occasion diminishing revenue returns.

I cannot, on this occasion, discuss all of our governmental services. Reference to some of those involving major expenditures may typify those not specifically referred to.

ROADS

From many quarters, there is the insistent demand for the construction of new highways and the reconstruction of worn out and obsolete roads. It is my duty to say to you that this cannot be done without money, however desirable it may be. The money which would otherwise now be available for the construction of our roads was, in large measure, expended prior to 1933 when the proceeds of our bond issues totaling eighty-five million dollars had been expended. In other words, our road revenues were anticipated by the issuance of bonds and expended prior to their accrual. With the wisdom of that program, we are not concerned. We are now paying the bonds and interest. We frequently refer to permanent highways. The term is a misnomer. No sooner is an improved highway completed than the expense of maintenance begins. In recent years the retirement and interest requirements of our bonds have taken approximately seven million five hundred thousand dollars, leaving of our road taxes from three million to three million five hundred thousand dollars, which is insufficient for complete maintenance and administration of our primary system which now totals more than forty-seven hundred miles. Increased business gives promise of relieving somewhat the acuteness of our situation with respect to maintenance, but our construction program is dependent upon the reissue of a part of the fifty-million-dollar series of bonds as the originals severally mature and are retired. Approximately thirteen-and-a-half million dollars of bonds may be reissued during the next four years, which, with federal aid on the present basis, will afford approximately five million dollars annually for construction, including grade crossing elimination. This will sustain a modest construction program for the improvement of heavy-traffic roads with the best construction and of less-traveled highways at a lesser initial cost.

Means for secondary road construction are even more restricted. The appropriation from general revenues, for the current biennium two million dollars annually, together with capitation taxes and the certificate-of-title tax, is required for maintenance of some thirty thousand miles of secondary roads, of which more than six thousand miles are improved.

To my mind the sale of bonds beyond the reissue of those retired should not be considered. More bonds would mean more interest and less funds for maintenance. Any enlargement of our construction program must be on the pay-as-you-go plan, which would mean more taxes.

I believe that our established appropriation for secondary road purposes, now two million dollars annually, is as large as can be justified from general revenues. Any additional revenues made available for roads, at this time, should come from proper taxes incidental to highway use. Correspondingly, there must be no diversion of road revenues to other purposes.

We have approximately fifteen hundred miles of secondary roads upon which the stone base was placed by federal relief agencies. The surfacing of these roads is imperative to retain the benefit of improvements already made.

There is great need for at least a modest program of secondary road construction because of its importance to our farmers, their marketing facilities, and to the making of rural life more attractive.

Whether we shall continue to be satisfied with our present restricted program or resort to additional road revenues is a legislative problem which I shall present, with the tender of every possible assistance at my command, to those who have been chosen to represent you in that branch of government.

SCHOOLS

No system of public education can be too good for the welfare of the State and her children. West Virginia may well take pride in her success in revising her school system in 1933 and in continuing it through the depression, without the collapse that unfortunately attended the systems of many sister states.

Faithful, qualified teachers should be secure in their employment, at adequate salaries, and assured of suitable provisions for retirement when superannuated.

But there must be an efficient economy in our school system, no less than in any other governmental service. The needs must be ascertained and the revenues available, or which may be made