

GENERAL ASSEMBLY.

SENATE.

MONDAY, DEC. 15.

Mr. Graves from the committee on the militia laws, to whom was referred the bill concerning the Light Infantry Company in the town of Edenton, reported the bill without amendment. It was read the second time, and rejected.

Mr. Graves from the same committee, to whom was referred the bill to divide the militia of Iredell county into two regiments, reported the said bill without amendment; which was read the second time.

Mr. Legrand presented a bill to authorize Parham Kirk to collect the arrears of taxes due him for the years therein mentioned.

Mr. McLeod presented a bill to authorize and empower the commissioners of the town of Smithfield to levy and collect additional taxes, and for other purposes.

Mr. M'Dowell, a bill to allow commissions to constables on all sums above sixty dollars.

Mr. M'Leary, a bill concerning the estates of persons non compos mentis.

Mr. Seawell, a bill respecting the marriage of infants who belong to any seminary of learning in this State.

Which bills passed their 1st reading.

The engrossed bill to amend an act passed at the last General Assembly, supplemental to an act passed at the present General Assembly, for the division of Rowan county, was read and amended on motion of Mr. Martin, by adding the following: "Provided that nothing in this act contained is intended in any way to affect the dividing line, heretofore established between Rowan and Davidson." The bill then passed its third reading, and was sent to the House of Commons for concurrence.

Mr. M'Dowell moved for a re-consideration of the bill which was rejected by the Senate on Saturday last, to regulate the practice in the Superior Courts of Law of this State. There being an equal number for and against this motion, the Speaker voted in the affirmative, and the bill being re-considered, Mr. M'Dowell moved to postpone the further consideration thereof until to-morrow.

Mr. Cameron from the joint committee on Internal Improvements reported a bill concerning the Roanoke Navigation Company, and a bill concerning the Clubfoot and Harlow's Creek Canal Company—which were read the first time.

The bill to amend an act passed in the year 1813 to exempt vessels under sixty tons burthen, entering the Cape-Fear river from paying pilotage, was read the third time.

The Senate entered upon the orders of the day, and the bill to amend an act passed in the year 1806, for the more convenient administration of justice within this State, was read the 2d time. Mr. Hill, of Franklin, moved to amend the bill by striking out the tenth section, and inserting the following: "Be it further enacted, that so much of the several acts of Assembly heretofore passed, establishing Superior Courts of Law and Courts of Equity, and that the Courts appointed and established by this act shall be holden by seven Judges, to be elected by joint ballot of both Houses of the present General Assembly, and commissioned by the Governor."

Mr. Callaway moved that the bill, with the amendment under consideration, be indefinitely postponed—which was not agreed to. The question then recurred on the adoption of Mr. Hill's amendment, and the question was determined in the negative—Yeas 1, Nays 58.

The said bill still under consideration, Mr. Pearsall moved to strike out the 2d, 3d, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, and 14th sections—Not agreed to.

Mr. Seawell moved an amendment to the 15th section, which was agreed to, and the bill passed its 2d reading.

TUESDAY, DEC. 16.

Mr. Cameron from the joint committee on Internal Improvements, reported a bill concerning the Cape-Fear Navigation Company—Read the first time.

Mr. Jackson presented a bill to amend an act passed in 1822, making compensation to the jurors of the Superior and County Courts of Moore, Carteret, and Bertie, so far as the same relates to the county of Moore—and a bill to repeal an act passed in 1822, to regulate the Courts of Pleas and Quarter Sessions in the counties of Cabarrus, Moore, and Montgomery, so far as the same relates to the county of Moore.

Mr. M'Dowell, a bill supplemental to an act passed this session of the Assembly, incorporating Morganton Academy.

Mr. Baker presented a bill to amend an act passed in the year 1816, respecting the Academy and town of Smithville, in Brunswick county.

Mr. Callaway, a bill creating a permanent fund for Internal Improvements, and to consolidate the several acts of

Assembly creating funds for that purpose. Read the first time.

Mr. Cameron from the joint select committee on Internal Improvements to whom was referred a bill to amend an act to appoint commissioners to view and lay off the road leading across the mountain from the town of Wilkesboro' to Mrs. Bogle's in Iredell county, reported the said bill without amendment. Thereupon it was read the second time.

The Senate entered upon the orders of the day and the bill to consolidate and amend the several laws of this State relative to the processioning of lands, was read the second time. Sundry amendments were offered by Mr. Sneed and agreed to, but the bill was finally rejected.

The bill to amend an act passed in 1806 for the more convenient administration of justice, was read the third time, and on motion of Mr. Wellborn, referred to a select committee. Messrs. Wellborn, Forney, Torrence, Martin, Cameron, Vanhook, Bethune and Marshall compose this committee.

WEDNESDAY, DEC. 17.

Received from the House of Commons a message proposing that the bill to repair and improve the road leading from Huntsville in Surry county to the Virginia line by the way of Gap Civil in Ashe county—the resolution instructing the committee on Internal Improvements to enquire into the expediency of retaining the services of the Civil Engineer—the petition of sundry persons of Sampson county, and the petition of the inhabitants of Fayetteville, be referred to the committee of both Houses on Internal Improvements.—Agreed to.

Mr. Cameron from the committee on Internal Improvements reported a bill authorizing the making and improving a road from Asheville to Rutherfordton—Read the first time.

Mr. Cameron from the select committee to whom was referred the bill to amend an act passed in 1806 for the more convenient administration of justice, reported the said bill with sundry amendments: the same being under consideration, Mr. Hawkins moved that the bill together with the amendments be indefinitely postponed—which was not agreed to.

Mr. M'Leod moved an amendment to the bill to follow the 23d section, fixing two years as the length of time for the continuance of the act. Not agreed to.

Mr. Seawell moved an amendment, confining the charges of the Judges to matters of law only—Which was likewise rejected.

The question then recurred on the passage of the bill, which was decided in the affirmative—Yeas 31—Nays 29.

4 O'CLOCK.

The Senate met agreeably to adjournment to appoint field officers and justices of the peace.

The bill to allow commissions to constables on all sums above sixty dollars, was indefinitely postponed.

HOUSE OF COMMONS.

MONDAY, DEC. 15.

Mr. Polk presented the petition of sundry citizens of Mecklenburg on the subject of a public road in Surry County—Referred to the committee of Propositions and Grievances.

Mr. Pugh presented a bill to amend and continue in force an act passed in 1820, appointing Commissioners for fixing upon a suitable place for the public buildings in Hyde County, and for other purposes—Read the first time.

Mr. Williamson, of Northampton, submitted the following resolution, viz: Resolved that no bill which has been, or hereafter may be rejected, shall be reconsidered during the present session.

Mr. Beall moved for the indefinite postponement of this resolution, which was carried.

The bill compelling the Banks of this State to pay specie, was read the first time.

The House agreeably to the order of the day, proceeded to the unfinished business of yesterday, and the bill to authorize the building of a toll bridge over Roanoke river, at the town of Halifax, and to incorporate a Company for that purpose, was read the second time. Mr. Bynum moved to amend the bill by adding a new section—Not agreed to. Nays 67 Yeas 51.

The bill to establish a Bank of the State of N. Carolina, was read the first time. Mr. Graham moved for its indefinite postponement, which produced the following debate:

Mr. GRAHAM believing that we had already a sufficient number of Banks in the State, did not wish to see them increased; and not wishing unnecessarily to consume the time of the House, he moved that the bill be indefinitely postponed.

Mr. MARTIN was sorry the gentleman from Rutherford had moved an indefinite postponement of this bill. He thought the subject important and worthy the consideration of the House. In proportion as the commerce of our country increased, it was necessary to increase our Banking capital. He believed there was, at present, a great scarcity of money in the country, and the present Banks had not the ability, or the disposition, to supply the deficiency. They appeared to loan and call in their money at pleasure, and by doing so, produced much distress in the community. In the county in which he resided, an office of discount of one of the Banks had been for some time in operation,

but had since been discontinued. From this office the people had borrowed freely, and had since been considerably strained in repaying their loans, and the price of property had been much affected by the operation.

Mr. M. did not think it right that individuals or corporations should thus have the power to regulate the currency of the country; he thought it would be better that the State only should possess this power, and for this purpose he had introduced the present bill. Banks, as at present established, sometimes become unnecessarily alarmed and call in their debts, or refuse to make loans, and these movements derange the state of the currency of the country, and greatly affect the price of all kinds of property.

The present deranged state of our circulating medium is generally acknowledged, and different remedies have been proposed.—Some are for forcing our Banks to pay specie, others to take away their charters. He was in favor of neither of these courses, as either of them would greatly increase the present embarrassments of the country; for if the Banks were forced in every instance to pay specie, they would call in their debts by larger instalments than at present; and if they were either to surrender their charters, or have them annulled, the mischief would be still greater, as after their business was closed they would, of course, collect their debts, and by doing so, harass the people. He was for suffering the present institutions to go on to the end of their charters. But, in the mean time, he was desirous of establishing a Bank by which the State, and not a few monied individuals, would regulate our currency and reap the advantage from it, and which would be less fluctuating in its manner of doing business. He said, the State possessed ample means for carrying this object into effect.—We had, he said, large funds in the other Banks, there was always surplus money also in the Treasury, not only for paying the ordinary expences of the government, but also the fund set apart for internal improvements. These funds would amount to little less than a million of dollars; and to this fund would be added the faith of the State for the payment of all notes issued by the proposed institution. A provision was also contained in the bill authorising the Treasurer to obtain a loan for the use of the State in aid of the proposed Bank. He knew that there existed a strong prejudice against borrowing money for the use of the State; but he believed it would in such case, be good policy. When he was last in New-York, there was plenty of money to be obtained on good security at 4 and 5 per cent, and surely it would be worth while to pay this in order to effect the great object in question.

Mr. M. observed that this was no new project. The State of South-Carolina, had a flourishing Bank established precisely on the foundation of the one proposed in this bill. That State had the wisdom to establish this Bank some years ago, in a season of great embarrassment, when most of the Legislatures had under their consideration bills for suspending executions and other palliative measures for the relief of the people, and it was now, and had always been of credit equal to the other respectable Banks of that State, and had proved a source of great profit to the State, though the capital was less than half a million of dollars.

It had been doubted by some whether the notes issued by the proposed Bank would pass without depreciation. He himself had no doubt of it. Look, said he, at the ready circulation of the small Treasury Notes, now in circulation, without any specific fund being appropriated for their payment. Mr. M. also mentioned the Treasury Notes issued by the General Government during the War, which were sought for in preference to other money, and also our old Currency, which always maintained its value.

Mr. M. insisted that the Notes issued by the proposed Bank would have a better security for payment than those issued by any Corporation, as they would not only be bottomed on the funds of the institution, but on the faith of the State.

But some gentlemen are opposed to this bill, because they are opposed to all Banks. He hoped gentlemen would observe the difference between the proposed Bank and the present institutions. These, said he, we have, and before we attempt to put them down, we ought to provide a currency for the State to take the place of their Notes when they shall be withdrawn. And gentlemen ought to consider the proposed Bank is not intended to benefit any individual—the State at large is to receive its profits.

The proposed Bank had by some been compared to the Kentucky State Bank. Mr. M. said the two things were no way alike.—Kentucky does not propose to redeem her notes in less than 25 years; and even with this exceptional provision the issues of that Bank would have answered a very good purpose, had the Directors not been excessive in their issues of them.

Mr. M. supposed that it required about three millions of currency for answering the purposes of this State, which must be furnished in some way, and he thought it would be well for the State to furnish, and enjoy the profits arising from, at least a part of it. He considered it the duty of every State Legislature to provide a proper currency for their constituents, one which should be placed on a solid base, and as little as possible liable to any diminution in quantity, or change in value.

Mr. M. concluded by saying that the details of the bill might be imperfect; and he should have been glad if gentlemen would have assisted him in amending them, instead of striking at once at the existence of the bill.

Mr. ALSTON would have been glad if gentlemen opposed to this bill would have stated their objections to it; but as no one appeared willing to do so, he would give his reasons for wishing the motion for indefinite postponement not to prevail.

This bill proposes, said he, to establish a Bank on different principles from any hitherto established in this State. What is the object of this bill? It is not for the purpose of creating a monied corporation; of putting it in the power of a few individuals to control the circulating medium of the country, and by this control deeply to affect, at their will, the interests of the community; no, it is to establish a Bank for the relief of the people, and for the benefit of the State. And because there is at present a general clamour against the present Banks, shall we be prevented from establishing one which is calculated to counteract the evils arising from these institutions?

Who, asked Mr. A. are the dealers in the present Banks? Are they the plain farmers of the country? No; though he believed some of them had heretofore dealt too much with them for their interest; but are any fa-

cilities offered to this class of men now? No; he believed as good notes as ever were offered at any Bank are constantly refused. A few persons only can obtain accommodation at these Banks—a few have the management of them, and they can do what they please with the money. He did not mean to charge them with any criminality; he supposed they were like other men who had the means of making money, and were ready to use them.

The Bank which this bill proposes, is one in which the whole body of the people will have an interest; and if you can secure the proper management of it, will it not be better to have a Bank of this kind, than our present institutions? It certainly will.

He had heard it said out of doors that we have Banking Capital enough. This he doubted, as no money could be obtained except by a few avored individuals, and these men are always ready to purchase good notes whenever offered for sale. He wished to put down this practice, by establishing a Bank under the direction of disinterested officers appointed by the State.

It was believed by some that the notes of the proposed Bank would depreciate. This he could not believe; for, as had been stated by the gentleman from Rockingham, not only the funds, but the faith of the State would be pledged for their payment. Nor did he believe that the proposed institution would injure the present Banks. There would be business enough for them all.

It will be recollected that the State holds a considerable portion of the stock of the present Banks, on which she receives large dividends half-yearly. There can be no doubt, therefore that these Banks would receive and pay out the notes of the proposed Bank in the course of their business.

If the House were prepared still to leave the people of the State at the mercy of the present Banking institutions, they would be in favor of indefinitely postponing this bill; but if otherwise, they would vote against it. He called the yeas and nays on the question.

Mr. IREDELL rose, not, he said, to discuss the merits of the bill before the House; but to ask a few friends of this bill if they were aware of no difficulty in the way of passing a bill like that on the table? Do they not know that when this Legislature passed the bill establishing the State Bank, and they gave a pledge, that no other Bank should be established during the continuance of its charter. [Mr. I. read the section of the act referred to.] This charter is still in existence, and yet this bill proposes the establishment of a new Bank, and proposes to pledge the faith of the State for the payment of its notes. If the Legislature could be brought to violate its pledged faith, it would not surely be worth while to pledge it anew.

Mr. I. knew that since this pledge was made, the charters of the Banks of Newbern and Cape-Fear had been extended; but these acts did not create a new Bank, therefore presented a different question from the present.

Mr. MARTIN said, he considered the faith of the State as a diamond of great value, and he was not ignorant of the provision in the act establishing the State Bank. But he had thought it was conceded, on all hands, that the State Bank had forfeited its charter, and the friends of the Bank had acknowledged the fact. Mr. M. enumerated several acts of theirs, such as refusing to pay specie, issuing too many notes, &c. which, in his view, amounted to a forfeiture.

Mr. IREDELL remarked, that the clause which had been read in the charter of the State Bank, did not speak of the Bank's refusing to pay specie, or of issuing too many notes. It spoke of the existence of the Bank. Will the gentleman say that the Bank is not in existence? Your Treasurer has informed you he has received the dividends due from the Bank, of course, it must exist, and will continue to exist, until its charter is declared to be forfeited by some judicial decision. This Legislature cannot declare the charter forfeited. If it be thought proper to have a writ of *quo warrantu* issued against the Bank, let the matter be fairly tried; and if it appear that the Bank has forfeited its charter, the faith of the State will be no longer pledged. The Directors of the Bank may have done acts, which, if brought before a Court, might forfeit their charter; but a corporation may do many acts, which might by some be considered unwarranted, which would not forfeit their charter. But this is not now a question. The Bank exists, and while it has existence, the faith of the State is pledged not to establish any other Bank.

Mr. ALSTON said, it was perfectly immaterial to him whether the corporation of the State Bank was in existence or not, or whether it had violated any part of its charter or not. He took much higher ground. He denied the right of one Legislature to rivet chains about the neck of another, of one Legislature to pass any law which shall bind a succeeding Legislature, if it chuse not to be so bound. He denied this monstrous aristocracy. The faith of the State had often been pledged in this way, and as often broken. The same kind of argument was used when the Legislature extended the charters of the Newbern and Cape Fear Banks; but they had no effect, nor ought they to have any. We possess the same power that was possessed by the Legislature who made the pledge in question, and can keep it or not, as we believe will best serve the interests of the State. If the same men were every year elected to the Legislature, the pledge might be more binding; but he denied that one Legislature could bind their successors, formed of different materials.

Mr. LEONARD was of opinion with the gentleman from Halifax, that a law passed by one Legislature might be repealed by the next, and that no Legislative pledge was therefore binding, any longer than it was the interest of the State to observe it. Mr. I. complained that the present Banks had closed their vaults and were calling in their debts, that the people were considerably embarrassed; and that some step ought to be taken for their relief, before the charters of the present Banks expired, otherwise much distress would be experienced.

Mr. GRAHAM said, he had been induced to move the indefinite postponement of this bill, because he thought it premature. He had hoped that some friend of the measure would have shown that we were authorized to issue bills of credit; that we had friends sufficient to support a Banking institution; as a Bank without a capital, is like a mill without water, or a shadow without substance; so far from such an institution affording relief to the people, it would involve them in greater difficulties than they now experience.

He was not prepared to say, that if we have the power to erect such a Bank as is proposed, and have a sufficiency of funds, it may not, at some future day, be established. It is true that the State of South-Carolina has

derived great benefit from a Bank established on the State funds; but she had a real capital for her foundation. Kentucky had attempted a similar institution without a proper capital, and the consequences are well known. Her Notes are from 50 to 75 per cent. below par. He hoped we should not fall into a like error.

Mr. ALSTON observed, that the gentleman from Rutherford had called the notes proposed to be issued "bills of credit." He did not consider them in that light. They would be precisely such notes as our present Banks issue; and it would not be said, he presumed, that we could authorize a corporation to issue notes, which we had no right ourselves to issue. Mr. A. believed it was now well understood, that "bills of credit," meant bills issued by a State and made a tender in payment.

Mr. IREDELL wished to say a word or two in reply to what had fallen from the gentleman from Halifax, in relation to pledges of the State. He supposed that when the Legislature passed an act, they meant something. Mr. I. said, in the act establishing the State Bank, they had given a solemn pledge that they would establish no other Bank during the continuance of its charter; they were competent to make this pledge, and he considered the State sacredly bound by it. Did gentlemen mean, in the bill now before the House, to practise a deception on the people, by giving a pledge of the faith of the State, at the same time that they say no such pledge is binding?

The gentleman from Halifax, had defined the term "bills of credit," to mean bills which were made a tender. If this were the meaning of it, he would find two clauses in the Constitution which mean precisely the same thing.

Mr. MARTIN differed there had been considerable misapprehension as to the meaning of the term "bills of credit," used in the constitution of the United States. When this constitution was formed several of the States (this State as well as others) had issued a paper currency, which was made a tender, and was found very inconvenient in commercial transactions between the States. It was on this account that the States were thereafter prohibited from issuing any such. It could not be supposed to have reference either to bills of exchange or bank notes, or without these, no commerce could be carried on.

Mr. BRYAN closed the debate, by expressing his dislike to the bill before the House, which instead of affording relief to the people, would only add to their difficulties. He considered the pledge of the State as sacred while the State Bank existed. If that were out of the way the Legislature might establish such other Banks as they pleased, but not otherwise.

The Yeas and Nays on indefinitely postponing the bill, were as follows:

Messrs. Alford, Blackledge, J. M. Bryan, Brown, Bowers, Bodenhamer, Brodnax, Bynum, Brower, S. A. Bryan, Conrad, Crook, Carson, Cole, Clement, Campbell, Cheney, Davis, Edmonston, Edwards, Elliott, Fox, Flynt, Fisher, Gary, Graham, N. Gordon, Hargrave, Holland, Howell, Henderson, Haston, Helen, J. A. Hill, R. A. Jones, Jeter, Jaman, Iredell, R. H. Jones, Lowrie, Lamon, Almon, Melvin, M'Millan, Melchor, M'Lean, Mcbane, M'Daniel, T. N. Mann, M'Farland, Pugh, Polk, Studman, Stephens, Stewart, Sidney, Shepperd, Sellers, Smith, Stanley, Taylor, Turner, Whitaker, Weaver, White, W. Walton, J. G. A. Williamson, Webb, Wilder, L. P. Williamson, Walker—Yeas 71.

Messrs. Ashe, Alston, W. D. Barnard, E. H. Bell, Baker, Baile, T. Bell, C. Barnard, Brooks, Beall, Barrow, Collins, L. Cherry, Copeland, J. Cherry, Dargan, Davener, Frederick, Forbes, J. Gordon, J. L. Hill, Hoover, Horton, Hassell, Kilpatrick, Leonard, Love, McNeill, Morgan, M'Cauley, A. Martin, R. Martin, E. Mann, Newborn, Oliver, Roane, Ramsay, Seawell, Tillett, Thompson, W. Underwood, D. Underwood, Vann, Webster, J. White, Watson, Worth, Ward, Wright, Whitehurst, W. Walton—51.

TUESDAY, DEC. 16.

The following resolution was presented by Mr. Jeter:

Whereas, great inconvenience is felt by the Citizens of this State, in rendering a list of their lands and affixing the value thereof, to a Justice of the Peace, which has rendered the law inoperative, in producing the effect desired.

Whereas, great public loss is sustained by the revenue in the unjust and unequal value that is assessed upon the lands of this State, therefore,

Resolved that the Committee of Finance be instructed to enquire into the expediency of providing by law, that two free-holders be associated with a Justice of the Peace in valuing the lands.

The resignation of Thomas G. Polk, Colonel Commandant of the regiment of Cavalry attached to the 11th Brigade, was read and accepted.

Mr. Polk presented a bill to incorporate New Providence Library Company.

Mr. Strange presented a bill to repeal an act to establish a Court of Probate in the County of Cumberland, and for other purposes.

Mr. Campbell, a bill to compel the attendance of persons summoned to attend Juries of inquest.

Mr. Brodnax, a bill for the more convenient administration of justice in the Courts of Pleas and Quarter Sessions of Rockingham County.

Mr. Croom, a bill to authorize Daniel Dougherty, of Lenoir County to erect a bridge across Neuse River.

These bills were read the first time. The resignation of Stephen Miller, Col. Commandant of the Militia for Duplin County, was read and accepted.

Mr. Hill from the special Committee to whom was referred the petition of George Moore, reported unfavorably to the prayer of the petitioner, recommending its rejection—Concurred in.

Mr. Blackledge from the Committee of Propositions and Grievances to whom was referred the petition of sundry inhabitants of Beaufort County, reported favorably to the prayer of the petitioners, recommending the passage of a bill to carry its object into effect—Concurred in, and the bill read the first time.

Mr. Sellers presented the petition of sundry inhabitants of Sampson County, praying for an appropriation of money