

notice of the Convention some facts connected with the early history of this fund. The proposition was undoubtedly expressed in very imposing terms. It appeared upon the face of it to be perfectly equitable and fair. It imports that the good people of the State, having contributed a particular amount, now propose to distribute it amongst themselves in the proportion of their respective contributions. This appearance was however entirely fallacious. The assumption on which it rested was altogether unauthorized. The fund was not contributed by the present counties of the State, nor by the present population of the State, in the ratio in which it is now proposed to distribute it. He had stated on a former occasion that the fund was derived from property belonging to the State when its condition was very different from what it is at present. Some of the counties, now with a large population, had then no existence. As early as the separation of the colony from the mother country, the government of Maryland was entitled to a large sum in the English stocks, which was the subject of earnest and constant prosecution, until its final recovery. Judge Samuel Chase was the first agent employed by the State, afterwards Mr. Monroe, (who was subsequently President of the United States,) while he was in Europe, and finally the late Judge Nicholson, who received the proceeds of the claim. He had endeavored to procure the various reports of these several agents, but, strange to say, these interesting items in our history were almost buried in oblivion. The earliest document he had been able to obtain was the Journal of the House of Delegates in 1806, in which was contained a report of a committee upon the subject.

Mr. C. here read from the report the statement of receipts and investments of this fund. It was obvious, therefore, that the acquisition of this fund originally, was not from contributions in proportionate shares by the different portions of the State in the ratio of their present population.

The amount, as is seen from the report, was invested in stock, most of it in stock of the Banks of the State. The charters of these Banks had reserved for the use of the State a certain number of shares, to be subscribed for by the State at its pleasure. The State availed itself of this privilege from time to time, and it was known to all who were acquainted with the financial history of the State prior to the war of 1812, that the actual expenses of the State were defrayed from the proceeds of this fund, and without any resort to taxation for that purpose. Those proceeds with the indirect sources of revenue, such as licenses, forfeitures and so on, produced an amount adequate to the support of the executive, legislative and judicial departments of the government. When the increased expenditures of the State, consequent on the war of 1812, exceeded the revenue, the policy was unfortunately adopted of expending the State's capital instead of manfully providing additional revenue. Each dominant party feared to hazard the loss of power by commencing a

system of direct taxation, when a very moderate amount, if applied in aid of current receipts, would have availed. The ruinous policy of exhausting the capital was adopted. The stocks from time to time were sold and the proceeds applied to the demands against the government. A part of these demands arose from the necessity of providing for the military defence of the State. Portions of the State exposed to attack and invasion from a maritime foe, were actually visited by the enemy, and at a time too when the general government had neither men nor money to provide the means of resistance, which their obligations, no less than the destructive character of the warfare waged upon us, required them to furnish. The defence of the State devolved upon its own executive and military officers, so far as the troops were to be found, and upon its own resources so far as pecuniary means were to be furnished. It is also known that after the close of the war, when the funds of the United States treasury became abundant, these advances by our State were reimbursed. The repayment was made expressly on the ground that the amount advanced by the State was applied to accomplish objects which in an especial and exclusive manner belonged to the United States, and which should have been attended to and paid for by them. The amount reimbursed must certainly be regarded as subject to all considerations which would apply to the original fund.

The Legislature aware of this, and also aware of the fact that this fund was originally contributed in a condition of the State very unlike the present, and at a time when in all their intercourse with each other, the several counties acted as so many associated sovereignties, provided for the distribution of this particular fund, and this only equally amongst the counties. Other revenues derived from taxation and other sources, since the period when this fund was raised, have been ordered to be distributed upon different principles. Now, after the lapse of so many years, it is proposed to lay violent hands on this small portion of the State's revenues and distribute it, not to those who raised it, but according to the white population of the present time.

Mr. SCHLEY. Does the gentleman say this money was contributed equally by all the counties?

Mr. CHAMBERS. I say it was contributed at a time when every thing in the legislative department was done by counties as communities. If the gentleman will examine the early history of the legislation of the State, he will find that taxes were imposed by assessing the several counties, as the General Government during the confederation did the several States.

Mr. BRENT, of Baltimore. The proposition now is to return what has been expended.

Mr. CHAMBERS proceeded. His object was to show how erroneously the proposed principle would work. He would illustrate it. Suppose a long-standing, wealthy firm, composed of half a dozen partners, by each of whom a large amount of capital had been advanced—say a million of dollars. At a certain time they promote an intelligent, moral and industrious clerk