

statement of the proposition, and for these reasons I think the amendment ought not to prevail.

Mr. CLARKE. In 1842, twenty years ago, the legislature made a provision applying to the notes due at that time. Has the canal gone on increasing its indebtedness since that time?

Mr. RIDGELY. There has been no issue since that.

Mr. HEBB. I have a carefully prepared statement of the indebtedness of the canal, handed me by one of my colleagues Mr. Greene, day before yesterday. It shows as follows:

First class—mortgage debts including interest.....	\$5,638,586 94
Second class—preferred stock	10,150,000 00
Third class—common stock	625,000 00
Lien of the State waived in favor of creditors, under the act of 1844, chap. 281	4,025,191 68
<i>Debts of the company deferred and postponed to the mortgages executed to the State of Maryland:</i>	
Post notes in scrip.....	\$372,599 00
Bonds issued in redemption of post notes.....	5,758 00
Bonds issued to contractors and creditors.....	169,066 29
Acceptances to contractors and creditors.....	126,596 64
Certificates for scrip, bonds &c.,—principal.....	186,751 16
Balances due contractors, &c.	85,664 30
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	\$946,435 39
Interest due on these claims to 1st July, 864, estimated at.....	1,253,564 61
Total.....	<hr/>
	\$2,200,000 00

Of course the canal company will always owe those debts, to the amount of \$2,200,000, unless the State when it authorizes this sale to be made requires the company to make provision for the payment of these debts; for if it does not the property of the canal will be in the hands of parties who hold the State's interest, and will hold prior to these deferred claims amounting to \$2,200,000.

Mr. CLARKE. While I am willing, in making this provision, to attach all proper conditions upon which we can now act understandingly, I am opposed to going too much into detail upon this question. We have three sufficient safeguards. We have provided that the proceeds of the sale shall be applied to the payment of the public debt; we have further provided that the legislature shall prescribe the regulations and conditions, looking to this very thing, before the sale is made, so as to consider the rights and equities of all the creditors. And we have not

only done that, but we have further provided that this sale shall be ratified by a subsequent legislature, which throws an additional safeguard around these creditors. We are not prepared here, I am perfectly satisfied, to consider the justice of these claims, or to act upon questions of that sort. It is a question which under the section as it stands now will be remedied, because the legislature will have the governor, and treasurer, and comptroller, and its committees of investigation to examine all these matters. I am satisfied that the legislature in making any sale will carefully weigh through its committees all these financial questions. I desire that justice shall be done to these scrip-holders. But I do not think that with the little information we have upon this subject, without any examination of these financial questions, or the merits of these claims by any committee of this house, we should have a provision of this sort, about which we are all entirely in the dark, except that we know that such claims exist in some shape or form. I think, as I stated before, that the rights and interests of creditors will be sufficiently defended by the legislature, who have first to prescribe the conditions of the sale and then to ratify the sale.

The amendment offered by Mr. HEBB was rejected.

Mr. RIDGELY submitted the following amendment:

In the third line, after the word "interest," insert the words "as stockholder and creditor."

Mr. CLARKE. I think it was the understanding of the committee that it should embrace both interests; but I think to make it plain and distinct, this should be inserted. The amendment was agreed to.

Mr. PUGH moved to strike out in line two, the words "or any two of them."

The PRESIDENT. That is not in order. Nothing can be stricken out.

Mr. PUGH. I gave notice of that amendment, and the chair said it was not then in order. Certainly it is not proper that it should be entirely lost in all this tinkering. I have been patiently waiting for the time when it would be in order.

The PRESIDENT. Since that, the convention has referred the matter to a special committee, and the house has acted upon the report of that committee, and inserted this proposition.

Mr. PUGH. I certainly thought that was a strong ground for opposition to this section, and I wanted to be heard upon it.

Mr. CLARKE submitted the following amendment to the report of the committee on the legislative department. Insert as an additional section the following:

Section —. The legislature at its first session after the adoption of this constitution shall provide a mode by which those persons who were owners of slaves under the laws of this State, on the 1st day of January, 1861,