

the money in the bank, and go into a scheme of wild speculation, and utterly ruin the institution before the public is aware of it. I do think it is a salutary restriction upon banking institutions. If a director wants money, he can get it from a neighboring bank without any trouble. There is never any inconvenience in that—would not be in Baltimore, or anywhere else—and I hope for the safety of all persons outside the banking institutions, that the provision of the old constitution will be inserted.

Mr. NEGLEY demanded the yeas and nays upon the question of reconsideration, and they were ordered.

The question being taken, the result was—yeas 34, nays 23—as follows:

Yeas—Messrs. Goldsborough, President; Annan, Belt, Carter, Dail, Davis, of Charles, Ecker, Galloway, Harwood, Henkle, Hoffman, Hollyday, Hopkins, Hopper, Johnson, King, Lee, Mace, Markey, McComas, Mitchell, Miller, Morgan, Mullikin, Murray, Negley, Parker, Russell, Sands, Smith, of Carroll, Smith, of Dorchester, Swope, Sykes, Wickard—34.

Nays—Messrs. Abbott, Barron, Brooks, Chambers, Cunningham, Cushing, Daniel, Davis, of Washington, Dent, Earle, Greene, Hatch, Jones, of Somerset, Keefer, Kennard, Larsh, Nyman, Pugh, Schley, Sneary, Stirling, Stockbridge, Wooden—23.

So the 42d section was reconsidered.

Mr. NEGLEY submitted the following amendment:

Section 42. Amend by inserting after the word "otherwise," in the sixth line, "and upon the further condition that no director or other officer of said corporation shall borrow any money from said corporation; and if any director or other officer shall be convicted upon indictment of directly or indirectly violating this article, he shall be punished by fine or imprisonment, at the discretion of the court."

Mr. STOCKBRIDGE. I hope the gentleman from Washington county (Mr. Negley) will give us some sensible reason for going into the details of criminal legislation in the constitution. This is a matter competent for the Legislature to enact at any time. Are we to go into the business of establishing a certain crime known neither to the common law, nor to the statute law of the country, and not only establish the law but fix the penalty, and thus introduce into our constitution itself, a part of our criminal code?

It was shown here yesterday—if the gentleman had been in his place to hear it—from the manner the provision originally came into the constitution, that it is a perfect absurdity, an excrescence that never belonged there. I presume, if he had been here, he would have concurred in the opinion that the committee acted wisely in excluding it. Unless he shall give some reason for deviating

in this respect in our constitution from most of the States, I shall be disposed to vote against the amendment.

Mr. NEGLEY. There are many and very grave reasons for the insertion of that article from our old constitution in our new. It needs no elaborate argument to prove to any mind at all conversant with the management of banks, that the community cannot throw around the proper management of a bank, too great or too carefully drawn safeguards. If you do not put that clause in, as it is in the old constitution, you put the entire assets of a bank at the mercy of eight men, who can by indorsing and re-indorsing each other's paper absolutely absorb every dollar of money in the bank, and keep it employed, so that the bank ceases to be a public benefit, and is nothing but a private convenience to the directors. Eight men may by possibility, if the directory be so large, obtain a majority of the capital of a bank, and thereby have themselves always returned as directors, and make all the balance of the stockholders of the bank contributors to their speculation.

Since the adoption of our late constitution, there have been no failures in Maryland. There has been no fraud committed by the banking institutions of Maryland. The public has not been injured. A few years ago there was a bank in Lancaster, that absolutely squandered the whole of a capital of \$400,000, and a great deal more besides, just by the officers using the moneys of the bank. It is to prevent such outrages upon the community as this, that the amendment is offered. A few men, a majority of the directors, by combination with the cashier and the president, can have the entire control of the bank, and use the entire money of the bank; and in times when there is great temptation to speculate, they may not be proof against it. But if you put it out of their power to use this money, you have the best possible guaranty that the bank will be carefully managed. Use the language that was contained in the old constitution, and there is not a bank that will be mismanaged; because they will not render themselves liable for the penalties there prescribed. It strikes at the root of the matter. I don't care how it originated. It may have been in a drunken frolic. I have heard the origin of it. But however it originated, it is a principle that has been found to work well, to guard the public interest, and to prevent frauds upon the public.

In times past, there has been a great outcry against banks. Why? They are a public benefit, properly managed; but they are a public nuisance and outrage, improperly managed. Insert this clause in your constitution, and you have the greatest possible guaranty that any State institutions that may be chartered, will not be mismanaged. Otherwise, any man who wants to borrow largely,