

not have the usual concern about people reading the constitution and seeing at a glance what it means.

The B&O lawyers will know the background very well.

THE CHAIRMAN: Delegate Bothe.

DELEGATE BOTHE: Delegate Gallagher, I was wondering why we would not at least cut lines 30 to 36 dealing with the grant of legislative corporate charter. Since that is taken care of in LB-2 under 3.17 it does not seem to have any application to the problem of the B&O.

THE CHAIRMAN: Delegate Gallagher.

DELEGATE GALLAGHER: Well, we say that the legislature shall not pass special laws where general laws exist. This section was put in in 1851 as a companion piece to comparable language in the 1851 constitution. I do think that they balance each other and should be read together.

If you did not have the allowance of special laws, I do not think it would be necessary to keep the first two sentences in.

THE CHAIRMAN: Delegate Pullen.

DELEGATE PULLEN: Mr. Chairman, let us see if we cannot spread this around a bit.

Section 25, Article 77 of the Code, in respect to the approval of schools, has this statement: "Provided that nothing in this section shall be construed as having application to any school or college that is now operating under a charter granted by the legislature of Maryland".

Now, there have been attempts in the past few years to revive charters that were given by the legislature to begin the operation of schools. I wonder if this particular provision would not add an additional group to the problem that you have here.

DELEGATE GALLAGHER: I think it could, Delegate Pullen, yes, depending primarily upon what special advantages were conferred by the charters granted by the legislature prior to 1851.

THE CHAIRMAN: Delegate Pullen.

DELEGATE PULLEN: May I answer that by saying that certain schools may and have not come under the provision of supervision or control under that particular provision.

THE CHAIRMAN: Delegate Gallagher.

DELEGATE GALLAGHER: Yes.

THE CHAIRMAN: Delegate Bennett.

DELEGATE BENNETT: Mr. Chairman, I notice that yesterday the stock of the Chesapeake and Ohio Railroad declined three-quarters of a point, and that one of the issues of the Baltimore and Ohio Railroad likewise decreased considerably, and I wonder if the release of this report of yours had any bearing on that, or whether you know of any conflict of interest that might be involved here.

DELEGATE GALLAGHER: I do not see a head-on collision in the matter, to be frank about it. I do not think we affect the stock market.

THE CHAIRMAN: Delegate Case.

DELEGATE CASE: Mr. Chairman, continuing with the point that Delegate Bothe made, to wit, the applicability of Section 3.17 (A) and its presence really making 3.17 (A)(b) unnecessary, is or is it not true that the General Assembly might pass a general law which would state in effect from this point on corporations shall be granted by legislative act?

DELEGATE GALLAGHER: It could.

DELEGATE CASE: And isn't what you are doing here an attempt to directly meet that and forestall it?

DELEGATE GALLAGHER: Yes, I think that is the effect of this language.

THE CHAIRMAN: Delegate Case.

DELEGATE CASE: Now, with respect to the B&O, has the Supreme Court of the United States held in effect that it is within the sovereign power of the state to grant away in perpetuity a part of its inherent sovereign powers?

DELEGATE GALLAGHER: The Supreme Court of the United States has not ruled specifically on this matter, but the Maryland Court of Appeals has specifically so ruled—it is an inviolable contract.

THE CHAIRMAN: Delegate Case.

DELEGATE CASE: Has the point ever been made, as far as you know, that no legislative act can bind the state in perpetuity in an area such as this?

THE CHAIRMAN: Delegate Gallagher.

DELEGATE GALLAGHER: I see Judge Henderson rise, and I should say that Judge Henderson was involved in the Court