

MARYLAND GAZETTE.

T H U R S D A Y, JANUARY II, 1787.

ABSTRACT of the substance of the ACT for an emission of bills of credit, published by the order of the house of delegates for the information of their constituents.

WHEREAS an emission of bills of credit, at this time of general scarcity of specie, is necessary to afford a medium of commerce, and to enable the citizens of this state to pay the taxes which the public exigencies require, and it is thought proper and expedient to circulate the said emission on loan, on adequate and permanent funds.

Be it enacted, by the General Assembly of Maryland, That bills of credit to the amount of three hundred and fifty thousand pounds current money of this state, shall be printed and struck, with all convenient speed, under the care and direction of two persons of character and reputation, whom the governor and the council are authorized and requested to appoint supervisors of the press for that purpose.

And be it enacted, That of the bills of credit to be emitted in virtue of this act, a sum not exceeding two hundred and fifty thousand pounds may be lent out on bond on loan, on interest at six per cent. payable annually, the obligor and the security and securities altogether, or some one of them, having land in fee-simple within this state, clear of any kind of incumbrance except dower, of at least double the value of the loan.

And be it enacted, That one hundred thousand pounds of the said bills of credit shall be appropriated and may be lent out on loan to the inhabitants of the several counties of this state, for the space of thirty days after the said bills of credit shall be ready for loan, and notice thereof published as herein after directed, in the following proportions, to wit: Saint Mary's county four thousand seven hundred pounds current money, Kent county four thousand five hundred pounds current money, Anne-Arundel county nine thousand one hundred pounds current money, Calvert county two thousand six hundred pounds current money, Charles county seven thousand pounds current money, Baltimore county eleven thousand five hundred pounds current money, Talbot county four thousand three hundred pounds current money, Somerset county four thousand seven hundred pounds current money, Dorchester county four thousand pounds current money, Cecil county four thousand three hundred pounds current money, Prince-George's county nine thousand one hundred pounds current money, Queen-Anne's county five thousand six hundred pounds current money, Worcester county three thousand six hundred pounds current money, Frederick county nine thousand one hundred pounds current money, Harford county four thousand six hundred pounds current money, Caroline county one thousand seven hundred pounds current money, Washington county three thousand six hundred pounds current money, and Montgomery county six thousand pounds current money.

And be it enacted, That the said sum of one hundred thousand pounds of the said bills of credit, as above appropriated for loan to the inhabitants of the respective counties as aforesaid until the end of the said thirty days, shall be lent out by the treasurer of the western shore in sums not less than fifty nor more than five hundred pounds current money to any inhabitant of the said counties respectively, and to no other person, upon interest, on bond to the state, payable at a short day, on interest of six per cent, payable annually as aforesaid; and the said treasurer is directed to insert the name of the principal only in the condition of the bond, and to express in the condition that payment shall be made in the said bills of credit, or in gold or silver at the value ascertained by the act, entitled; An act to declare what foreign gold and silver coin shall be deemed the current money of the state, and there shall not be lent more than five hundred pounds current money to the same person; and after the expiration of

the said thirty days, such of the said bills of credit as may remain not lent out to the inhabitants of the respective counties as herein before directed, shall be lent out by the said treasurer to any inhabitant of this state on bond on interest, with security or securities, in sums not less than fifty pounds current money nor more than one thousand pounds current money, and there shall not be lent more than one thousand pounds current money to the same person; and the treasurer is directed to take care that not more than six thousand pounds current money shall at any time rest on the solvency of the same securities.

And be it enacted, That before the said treasurer shall lend out any of the said bills of credit, he shall give notice, by advertisement in the Maryland Gazette and Baltimore Journal for at least four successive weeks, of the time he shall open his office, and begin to lend the said bills of credit, agreeably to this act; and it is declared to be the duty of the said treasurer, not to regard any application for the loan of money but such only as are personally made in his office, during office-hours, and according to priority; and if from the number of applications any difficulty may arise as to priority, the said treasurer may enter the names of the applicants, and by lottery determine which of them shall have the preference.

And be it enacted, If the said one hundred thousand pounds shall be lent out, that after the expiration of six months from the time the said sum shall be lent out, the treasurer of the western shore, with the approbation of the governor and the council, may appropriate the further sum of fifty thousand pounds of the said bills of credit for loan to the inhabitants of the several counties in the proportion aforesaid, and shall give notice thereof in the same manner as before directed, and such proportion shall be reserved for thirty days after such loan shall commence; and after the expiration of the said thirty days, the residue, if any, may be lent out to any inhabitant of the state, and the treasurer shall observe the same directions and rules as to this second loan as herein before prescribed.

And be it enacted, If the said fifty thousand pounds shall also be taken out on loan, that after the expiration of three months thereafter the further sum of fifty thousand pounds may be appropriated by the said treasurer, with the approbation of the governor and the council, and lent out in the same manner as herein before directed.

And be it enacted, If the last mentioned sum of money shall also be borrowed, that after the expiration of three months thereafter the further sum of fifty thousand pounds may be appropriated by the said treasurer, with the approbation of the governor and the council, and lent out in the same manner as herein before directed.

And, to prevent as far as may be the said bills of credit from being affected in their value by permitting too great a quantity thereof to be in circulation at the same time, *Be it enacted,* That the governor and the council be requested, in giving their approbation to the treasurer for the loan of the three several sums of fifty thousand pounds as above mentioned, to take care that only so much of the said respective sums be lent out as will make the whole sum in circulation not to exceed the amount of two hundred thousand pounds at the same time, unless they shall be fully satisfied, from the best consideration and all circumstances, that the loaning of a further sum, after two hundred thousand pounds shall be in circulation, will not in any manner affect the value of the sum then in circulation.

And be it enacted, That on all loans in virtue of this act, the said treasurer shall take all possible care that the obligor and his security or securities altogether, or some one of them, have land in fee-simple within this state, clear of all incumbrances (except dower,) that can affect the same, of at least double the value of the loan, and the treasurer is hereby directed to consider the assessment as the value of such land;

and for discovery of incumbrances the said treasurer may make searches in any offices, and if necessary take copies or extracts of any mortgages, entails, judgments, decrees, or other incumbrances.

And be it enacted, That every person wanting to borrow shall apply to the treasurer of the western shore in writing, stating the sum wanted on loan, the name, situation, and quantity of land he proposes to be bound and stand as security for payment, and there shall be endorsed the voluntary affidavit or affirmation of the principal or security, as the case may be, that he holds the land mentioned in fee simple, clear of any incumbrance (except dower,) by any former contract, mortgage, judgment, or otherways, and the quantity of land, to the best of his knowledge and belief; and the treasurer shall preserve and annex such application, and oath or affirmation, to the bond of such applicant, and shall also deliver to the clerk of the general court for the western shore a copy of such application and oath, to be by him entered among the land records of his office.

And be it enacted, That all bonds given for loans under this act, shall be a lien upon and bind all the land of the obligor and his securities, which shall be mentioned in such writing, in the hands of any purchaser, from the day of the execution of the bond, and any sale or gift, conveyance or devise, of such land, shall be subject to such lien, incumbrance and charge, and if the time of payment be elapsed, or if the interest, or proportion of the principal, as required by this act, be not regularly paid, or any deception or fraud be discovered as to the security, on filing the bond in the general or any county court, process shall issue, in the nature of a scire facias, against the debtor, his heirs, executors or administrators, to appear, &c.

And be it enacted, That any debtor to the said office on loan as aforesaid, for the bills of credit so to be lent out, may discharge his debt and interest due to the said office at any time, either in the said bills of credit, or in foreign gold or silver coin at the value ascertained by the act, entitled, An act to declare what foreign gold and silver coin shall be deemed the current money of the state, passed at November session, seventeen hundred and eighty-one; and the said treasurer is hereby required to receive the same accordingly for principal or interest; and every debtor as aforesaid shall pay the interest of his debt annually, and at the same time not less than one twentieth part of his debt; and the said treasurer may let out the one half of the interest received, on loan, in the manner herein before directed.

And be it enacted, That the said treasurer is hereby required to compel the punctual payment of the interest annually, which shall be due on loans to be made in virtue of this act, within one month after the same shall respectively become due, and also of one twentieth part of the debt, as herein before directed, and for any money he shall receive he shall give a receipt to the person paying the same; and in default of such payment of interest, and in default of payment of such part of the principal aforesaid, the said treasurer shall cause such process as aforesaid to be issued, to call in both principal and interest, and the said treasurer shall lend out again, in manner aforesaid, one half of the interest and the principal, after deducting thereout one twentieth part thereof; and on receipt of any interest, or the one twentieth part of the principal, in the said bills of credit, the said treasurer shall punch the same in the manner herein before directed, and shall produce such bills to a committee of the house of delegates at the next session thereafter, to be by them counted and destroyed; and if the said interest, or part of the principal, shall be paid in gold or silver, the said treasurer shall exchange one half the interest, and the said proportion of the principal, for bills of credit, which he shall punch and produce as aforesaid, to be destroyed as aforesaid.