

*Nays*—Messrs. Annan, Belt, Carter, Chambers, Crawford, Cunningham, Dail, Daniel, Davis, of Charles, Davis, of Washington, Dent, Earl, Ecker, Galloway, Greene, Henkle, Hoffman, Hollyday, Hopkins, Johnson, Jones, of Somerset, Keefer, King, Lee, Mace, Markey, Mitchell, Miller, Morgan, Negley, Nyman, Pugh, Russell, Sands, Smith of Carroll, Smith of Dorchester, Sneary, Swope, Sykes—39.

The amendment was accordingly rejected.

Mr. KING moved further to amend the section as follows :

Insert after the words "banking corporation" the words "except such as are."

Strike out the word "except" and insert the word "and."

So that the section, if so amended would read—

"The general assembly shall grant no charter for banking purposes or renew any banking corporation except such as are now in existence, and upon the condition," &c.

The question being taken, the amendments were rejected.

Mr. DANIEL moved to further amend the section after the words "shall be liable," the words "in proportion," so that the section, if so amended, would read—

"The general assembly shall grant no charter for banking purposes, or renew any banking corporation now in existence, except upon the condition that the stockholders shall be liable in proportion to the amount of their respective share or shares of stock," &c.

Mr. DANIEL said : I offer this amendment in order to render this section certain in its operations. It was suggested yesterday, in the course of the debate, that possibly what the stockholders had paid in might be squandered, and the debts of the corporation might be very great. The corporation may go on improvidently and contract debts far beyond its stock. Now, my object is to make the stockholders liable in proportion to their several shares.

Mr. NEGLEY. Suppose one of the stockholders is sued. Are not all the rest of them liable in equity to prosecution? If so, what is the necessity of this amendment?

Mr. DANIEL. It may be they are liable in proportion to what they have put in. I understand that counsel have given it as their opinion that they may be liable for their proportion, not for the whole amount. That is the question I want to meet, that they may be required to contribute to the amount in hand; or, if the whole fund is squandered, it may amount to nothing. I think it is perfectly proper to make the stockholders liable for the whole amount of the debt in proportion as each man has shares in the bank, so that it would put a restraint upon banks, and would cause stockholders and others to look more narrowly into the management of the funds of the bank. And I think it will in every way throw a guard around the

management of banks, if every man knew that in proportion to the stock he put in he was liable for all the debts of the bank, and not for the dividend merely, or for nothing if the funds were improvidently managed. It will make every party who puts money in a bank, liable for the amount of his interest in the bank.

It is to meet that question which might be doubtful, with the present wording of this section, and which I think is doubtful; and which might be construed to mean simply a dividend, or something else. I want every man who deposits in a bank, or who is not responsible for its management as a manager, director, or stockholder, to have the security that his money shall be forthcoming on any contingency, so long as the stockholders have property enough to pay the amount.

Mr. SCHLEY. The amendment offered by the gentleman from Baltimore city (Mr. Daniel) refers specifically to the liabilities of stockholders of banking institutions that are to be rechartered, or are to receive new charters. This question has already been before the convention in three forms. First, as originally reported by the committee, making the responsibility referring to the residue of the stock subscribed for and not paid in, then by the action of the convention that degree of responsibility has been stricken out. And the question, therefore, now is whether the responsibility to the original amount of the stock shall be adopted here, or the enlarged responsibility as proposed by the gentleman from Baltimore city (Mr. Daniel) substituted in place of it. It is manifestly unjust and iniquitous to enlarge the responsibility beyond the terms of the contract, and to make a man responsible pecuniarily for misfortunes, it may be, entirely beyond his control. I hope therefore the amendment will not be adopted.

I must also say that whatever degree of regard I may have had for the amendment adopted yesterday, and which has been reconsidered to-day, I am convinced, upon fuller deliberation and consideration of the subject, that it is dangerous to meddle farther with this financial question upon hasty propositions. As has been well said, it is a very tender and ticklish subject; one but little understood in these times by even the best financiers. And therefore it is not to be supposed that gentlemen, whose ordinary avocations do not incline them to a full consideration of financial matters, are probably well posted upon the subject. I therefore hope that this section, which appears to me to have had the sanction of years and experience, as it now stands, and which, after a good period of deliberation not only in the committee but in the convention has not yet been changed very materially from its original status in the present constitution, will be permitted to stand without any farther change.