

at was that they should be sold for an amount of the public debt equal to the amount of the State's interest in the works. If the State has \$500,000 interest in any public work, and should sell that whole interest for \$250,000, and with the \$250,000 should buy \$250,000 in State bonds, this section would be satisfied, because the proceeds of the sale are invested in an equal amount of State stock. The proposition of the gentleman from Kent (Mr. Chambers) was free from this difficulty, for it provided that it should be "sold or exchanged for not less than an equal amount of the present public or stock debt of this State." But here it is only that the proceeds of the sales shall be exchanged for an equal amount, no matter how much they are sold for. I really cannot see how any other construction can be put upon it.

Mr. MILLER. The gentleman from Baltimore city puts a perfectly correct interpretation upon the section. That was the reason that I voted for it. It means that if the State can sell its interest in the Chesapeake and Ohio Canal for \$2,000,000, for instance, that sale shall not take place unless the two million dollars which the State receive for it can be immediately converted into two million dollars in the State debt. So in reference to the sale of any other public work.

Mr. STIRLING. That has only reference to the Baltimore and Ohio Railroad company. It does not refer to the Chesapeake and Ohio Canal. That is left entirely free from the operation of this clause.

Mr. MILLER. The latter part of the proposition is that they may be sold for the best terms that can be obtained for them.

Mr. STIRLING. If they are sold for \$50,000, or \$100,000, you cannot buy a like amount of State stock.

Mr. MILLER. That was the only object I had in voting for the amendment. If there is anything in the latter clause in conflict with it, it does not meet with my approbation. My idea was that you must sell the State's interest in all these works of internal improvement for what you could obtain for them. For instance, if you should sell the Baltimore and Ohio Railroad stock at fifteen per cent. above par, the State might sell it for one hundred and fifteen, but should not sell unless she could get one hundred and fifteen dollars of the stock of the public debt. So in reference to the Chesapeake and Ohio Canal company, if she could sell her interest for less than the par value of the stock, she should not sell that interest until she could convert the proceeds of the sale of that interest, two million dollars, or whatever it might be sold for, into a like amount of the public debt. In order to carry out fully the power of sale, I propose to perfect the section by adding the words "exchanged for," so that it shall read "can be converted into or exchanged for a like amount of the public debt." I shall also

propose to make the section applicable to the now existing public debt of the State, and not to any debt which the legislature may hereafter create. With these two amendments I think the proposition is as nearly perfect as any one we could get with reference to our works of internal improvement. I do not wish to confine the comptroller or governor in the sale of these works to selling them at their par value. That was not my intention, and I do not think it was the intention of the mover of this section. I do not think he intended that the concluding part of it should be so considered.

Mr. CHAMBERS. I shall vote for the reconsideration for the additional reason that it contains a provision, in my humble judgment, which this body have neither law nor justice to sustain; voting that the property of other persons, held by the State in trust, the interest in the banks, which belong in fact—

Mr. MILLER. Will the gentleman allow me to make an explanation and correction with regard to that? The other morning speaking of the bank stocks held by the State, as shown by the comptroller's report, I said that the amount was about \$400,000, of which \$300,000 was held for the school fund. I find that I was in error, and that the \$300,000 held for the school fund are entirely exclusive of the \$400,000 held by the State in its own right. I suppose that under this section the comptroller and governor have no authority to sell anything except the stock the State holds in its own right, and would have no power to dispose of that held in trust for the school fund.

Mr. CHAMBERS resumed. I think the gentleman labors under a mistake. The school fund is held by the State as trustee, in the name of the State. The clause at present directs the sale of "the State's interest in any banking corporation." It includes not only bank stocks in which the State has the interest of ownership, but those which it holds as trustee. If you will introduce any words to prevent that, I am content. If you will say the interest which belongs to the State, although I do not think it advisable to sell even that, I am perfectly willing to acquiesce; but I hold it to be utterly iniquitous and unjust to sell the interest in the name of the State that belongs to other people; such an interest as the courts of law would prevent a trustee from selling. You have just as much power to sell my stock as the stock of the public schools. The State is the trustee, although the stock stands in the name of the State. Let it be made certain, so that we may not hereafter have any difficulty on the subject.

Mr. RIDGELY. The fund referred to by the gentleman from Kent, consisting of the distributive share of the State of Maryland in the surplus revenue of the United States, for