

branch of the Legislature, which law shall provide ways and means, exclusive of loans, to pay the interest of said debt or liability and discharge the principal thereof, within twenty years from the passage of the law, but new loans may be made if necessary, and new bonds issued in pursuance of law, for the payment of either principal or interest of the debt now existing."

Mr. DONALDSON briefly explained the substitute offered by him. He said that the proposition of the gentleman from Queen Anne's (Mr. George,) as amended at the suggestion of the gentleman from Somerset, (Mr. Dennis,) did in effect destroy the power of the Legislature to make use of the credit of the State for even the most beneficent purpose, and, in so many words, forbade appropriations, loans, or subscriptions to any work of internal improvement. Whatever our circumstances might be hereafter, however manifest might be the advantages to the community of a particular project, however unanimous might be the wishes of the people concerning it, and however abundant might be the receipts of the Treasury from the works already constructed, no such application of those receipts could be made by the Legislature; although all our debt may have been paid off, and all our tax laws repealed. When he considered, that not very many years would pass before we should realise such a state of things, if the present tax-system were in the meantime left undisturbed, as he hoped and presumed, he could not but foresee, that the entire destruction of this power of appropriation might hereafter produce serious inconvenience, and perhaps detriment to the State. The works of internal improvement now yield, unfinished as they are, about \$200,000 annually to our Treasury, and that sum will soon be greatly increased. Those works might hereafter, perhaps, be made much more productive of revenue to the State, and much more advantageous to the trade of the community, if their capacity were enlarged, or tributary works were constructed. He did not advocate laying taxes for those purposes; but after our debt was paid, if surpluses not derived from taxation were in the Treasury, he would desire that the Legislature should have the power to use them in the manner which it deemed most beneficial. Yet he was not for leaving this power unrestricted. He wished to guard it from abuse in the most stringent manner. He thought that his substitute imposed such restrictions, as would effectually prevent abuse, yet would preserve a power that might be beneficially used in cases of manifest propriety.

That substitute required the concurrent vote of two-thirds of the members elected to each branch of the Legislature, for any law creating a debt or liability. Such a vote could never be obtained, unless the necessity of such a law were apparent. Even in the times of our wildest extravagance, when all our heavy debts were incurred, although a mere majority of a quorum in each house was requisite to pass a law, the loan bills were almost all carried by bare majorities. They never could have been carried, had two-thirds of all the members elected, been requisite. Yet none of those bills provided resources for paying the in-

terest or principal of the debt created; in their delusion, the legislators of that time seemed to think that means for complying with the State's engagements, would drop down from heaven. If the imposition of a tax, which was the only provision then in their power, for the payment of the debt, had formed part of those bills, they would never have passed even by bare majorities. Now this substitute required, that the law creating any debt should provide ways and means, exclusive of loans, for the liquidation of the debt, principal and interest, within twenty-years. The ways and means must be either taxation, or certain revenue derived from property of the State, or from the State's interest in works of internal improvement. With those checks on the power to create debt, and with the past experience of our legislation to warn us, he believed there could be no danger of extravagance, or improvident enterprises, in future.

In regard to the last clause of the substitute, which authorised new loans to be made, if necessary, for the payment of the principal or interest of the debt now in existence, he said, that its purpose was, first, to provide for any temporary deficiency, proceeding from the unequal distribution of the receipts and expenditures of the Treasury—the smallest receipts coming in at the time when the expenditures are largest, and *vice versa*—or from an extraordinary casualty, which might possibly in some year befall our public works; and, secondly, to enable the Legislature, at or after the periods when the principal of any of our loans became redeemable, if funds for the purpose are not in the Treasury, to make new loans, and from the proceeds redeem those that have come to maturity. The terms of the loans are, irredeemable until after a certain date, and then redeemable at the pleasure of the State. Now, it may well happen, that the relative value of money may fall in the market before the greater part of these loans are redeemable; in which case a sum of money adequate to the discharge of the principal of those loans may be procured at a lower rate of interest than we now pay, and the difference in the interest would, of course, be so much saved to the State.

Mr. BROWN said that at first sight, the amendment of the gentleman from Anne Arundel, (Mr. Donaldson,) struck his mind favorably, but that upon reflection, and aided by the explanations which the gentleman himself had given, he, (Mr. B.,) was opposed to it. He argued that the only way to open the eyes of the people and to let them understand what their pecuniary condition was, to raise money by loan, when it must be raised, and to levy a tax for the payment of the interest and the ultimate liquidation of the debt. The people then knew what their Legislature was doing. And if, as the gentleman had predicted, it should hereafter, come to pass that large amounts of money were realized by works of internal improvement, it should be returned to the pockets of the people who had paid, by taxation, a large amount of money for these very works. The proposition of the gentleman from Queen Anne's, (Mr. George,) contained a guard which was acceptable to him, (Mr. B.) He hoped we