

A F F I R M A T I V E.

Hopewell,	Taney,	Polk,	F. Bowie,	Henry,	Lockerman,
Perkins,	Fitzhugh,	Shaw,	R. Bowie,	Faw,	Walker,
Miller,	Grahame,	Pattison,	Digges,	Mantz,	Hardcastle,
J. Johnson,	Gantt,	R. Bond,	Quynn,	T. Johnson,	M'Mechen,
Wright,	Owings,	Wallace,	Paca,	Norris,	Funk,
Harwood,	Cockey,	Matthews,	John Seney,	J. Bond,	Cromwell,
N. Worthington,	Ridgely,	Bravard,	P. Mitchell,	Love,	Holmes,
Chafe,	Stewart,	W. Bowie,	Purnell,	Wheeler,	Nicholls. 48,

N E G A T I V E.

De Butts,	Turner,	Stone,	Stevens,	Gale,	Steele. 9.
Dent,	M'Pherson,	Sherwood,			

So it was resolved in the affirmative.

Charles Carroll, of Carrollton, Esquire, from the senate, delivers to Mr. Speaker the bill for an emission of bills of credit, endorsed; "By the senate, December 16, 1786: Read the first time" and ordered to lie on the table.

"By order,

J. DORSEY, clk.

"By the senate, December 30, 1786: Read the second time and will not pass.

"By order,

J. DORSEY, clk."

And the following message:

BY THE SENATE, JANUARY 5, 1787.

GENTLEMEN,

ALTHOUGH it hath not been the practice of the senate to assign the reasons of their negative to any bill sent from your house until desired, yet as you, and a part of our constituents, may have formed very sanguine expectations of the good effects to be derived from the bill for an emission of bills of credit, we have thought it advisable, on the present occasion, to deviate from our usual mode. We shall therefore lay before you, and our constituents, the reasons which influenced this house to dissent to your bill; and we have no doubt, but that they will have the same weight with all who attentively examine them, as they have had on us. Both reason and experience evince, that if the bills of credit proposed to be emitted, should depreciate considerably, they will neither relieve the people, or answer the exigencies of government; but will increase the difficulty on both to procure real money, by adding an article of purchase to those which are already the objects of sale.

It would be too tedious, as well as unnecessary, to particularise all the causes of depreciation which occur to us. We shall select such, as in our opinion, would most affect the credit of the paper money proposed to be issued; among these, is the unavoidable distinction between state and continental taxes; the former may be paid in paper; part of the latter must be paid in coin. This distinction arises from, and is inseparably connected with, the political existence of this state, as a member of a confederacy composed of thirteen states. By the articles of the confederation, each state is bound to pay into the continental treasury its quota of the federal debt and expences, in the manner required by congress. That assembly since the peace has, by its several requisitions, called upon the several states to pay in specie their respective quotas of the foreign federal debt, and internal expences. This distinction between the payment of paper in state taxes, and of coin for these continental purposes, the bill itself has expressly admitted, whenever the impost duty of five per cent. shall take place.

The state must procure a quantity of specie sufficient to discharge its annual quota of the foreign federal debt, and internal expences; now, as this quota exceeds the annual interest of our state debt, and the annual amount of state expences, so will the demand for specie be proportionably greater than for paper money; consequently coin will be much more valuable than paper, even if we confine our views to the necessary contributions for governmental purposes. The bills of credit, when received into the state treasury for taxes, must either be exchanged for specie to pay our quota to congress, or they must be laid out in produce to be sold for coin. It is not probable that the treasurer could exchange any considerable sums of this paper money for specie, unless upon terms extremely disadvantageous to the state; should that officer be directed to exchange the paper money for coin on such terms, the state would depreciate its own paper. This difficulty and loss would not be avoided by ordering the treasurer, or any other officer whom the legislature might specially appoint, to purchase produce with these bills of credit, and to sell again that produce for specie. On each of these transactions the state would be loser, and on the first, viz. buying produce with paper, it would be equally, if not more instrumental in decrying its paper, than by exchanging it for specie; for the price of commodities to be purchased by the state would seldom correspond with the passing value of the paper money; it would more frequently be regulated by the probable depreciation it might undergo, before the receiver could dispose of it in the purchase of other species of merchandise. We are led to this conclusion, from the general experience men have had of the loss sustained by receiving a depreciated paper at the common passing value, when received. If produce purchased with this paper should be sold in the country for cash, the exigency of the state, with the charges and risk of keeping, would constrain its agent to dispose of the produce under the market price; if, to avoid this loss, the agent should be authorised to export this produce, the charges of storage and commission, added to those of freight and insurance, would reduce still more the net proceeds of the articles exported and sold at a distant market.

In every view, therefore, of the uses to which this paper money might be applied in procuring coin to discharge our quota of the federal debt and expences, great loss would accrue to the state; and