

Which documents were referred to the Committee on Banks and other Corporations.

According to a resolution adopted some days previously, the Senate proceeded to cast lots for Senators of the first and second class, as required by the Constitution.

The following was the result:

First Class—Messrs. Berthelot, Centor, Haughton, McLean, Porter, Priest, Walker and Wright—8.

Second Class—Messrs. Bellamy, Bell, Broward, Carter, Goodbread, Hawkins, Mays, Wall and White—9.

A committee, consisting of Messrs. Wright, Hawkins and Walker, was appointed to report a resolution respecting said classification.

The Committee, through their Chairman Mr. Wright, after a short time, made the following report:

The committee appointed to report a resolution expressive of the decision of the Senate upon the allotment of Senators, report the following:

Whereas, the members of the Senate have been, pursuant to a resolution, this day divided by lot into two classes, in accordance with the 6th section of the 4th Article of the Constitution, therefore,

Resolved, That Messrs. Bellamy, Bell, Broward, Carter, Goodbread, Hawkins, Mays, Wall and White, shall hold their office for two years; and that Messrs. Berthelot, Center, Haughton, McLean, Porter, Priest, Walker and Wright, shall hold their office for one year.

Which report was concurred in and the resolution adopted.

The Senate then adjourned until Monday, 10 o'clock, A. M.

MONDAY, JULY 14, 1845.

The Senate met pursuant to adjournment, and a quorum being present, the proceedings of Saturday were read and approved.

Mr. Bellamy, from the Committee on Banks, &c., made the following report:

The committee to which was referred the XIII. article of the Constitution, entitled "Banks and other corporations," and also the XVII. article, entitled "Schedule and ordinance," with the report of the committee to which the last article was first referred, and also certain resolutions respecting the faith bonds and guarantees issued to certain banking corporations by the Governors of the Territory of Florida; in part fulfilment of the duty assigned them, beg leave to report the accompanying bill, entitled "*A bill to be entitled 'An Act to regulate, restrain and control a certain association, called 'the Union Bank of Florida, claiming to exercise corporate privileges in this State, so as to guard, protect and secure the interests of 'the people of this State, and for other purposes.'*"

The committee do not deem it necessary to make a lengthy report explanatory of this bill or defensive of the principles it maintains, or the policy it is intended to carry out. The questions as to the moral or legal responsibility of the State or People of Florida for these faith bonds and guarantees, have long since been definitively settled in Florida. The grounds on which it is denied any such moral or legal liability exists, except that existing on the part of the Stockholders of the corporations to whom the bonds and guarantees were issued, have heretofore been placed before the world. The committee feel content to refer to the report of the Judiciary committee of the House of Representatives of the Territorial Legislature of 1840, to the report of the committee on banks of the same year, to the reports of the committees on corporations, and the committee on the Judiciary, and especially to the resolutions it reported, and which were adopted by the House of Representatives of the Territorial Legislature in 1842, and to the other resolutions adopted at different times by the different branches of the Territorial Legislature; and to the action of the Constitutional Convention of the State in 1838—9 on this subject.

We are aware that the honor and character of Florida has been assailed, and it will be again assailed—and the odious imputation of "Repudiation" attempted to be cast upon us. This is to be regretted; but when the facts and principles which constrain the people of Florida to the course they have adopted are fully known—when the ignorance which allows such imputation to be made is dispelled, the world will do us justice. It will decide that in our courses we are but upholding the constitutional rights of the people against usurped power, and attempted unjust spoliation. The committee deem it not irrelevant to invoke the following extracts from some of the reports above referred to in reply to the imputation of our people dishonoring their plighted faith and repudiating their obligations. They do but justice to the feelings and principles of our constituents.

In the report of the Judiciary committee of the House of Representatives of 1840, it is said,

"But it has been urged by some who cannot repel the force of the considerations which the committee have presented, that the question of the validity of these faith bonds and guaranties, should remain untouched, till the obligations of the banks with respect to them are violated, and the government or people of Florida are called upon for payment. Great apparent alarm is expressed, least the reputation and credit of the people should be impaired, their interests jeopardized, and their honor tarnished by a different course—Some have been impelled as far by their zeal and anxiety on this account, as to declare any attempt to establish their invalidity, *infamous*. The committee have not been deterred from what they conceive to be the performance of a solemn duty to the people of Florida, and to those who may have become the holders of these bonds and guaranties, and to the Government of the United States, by such denunciation. On the contrary, they hold that the same dictates of honorable feeling and true honesty which would induce an individual in society to withhold his name and credit from the perpetration

"of an imposition, should constrain the people of Florida to announce to the world their true relation and position in regard to this subject, at the earliest period. At all hazards and at all sacrifices, they should not quietly lie by and tacitly permit obligations purporting to pledge their credit to be sold or pawned in the public markets, and not avow their rights and intentions. "No! If infamy there be, it will rest upon those who, fearful of the decision of the people upon this point, are sedulous to conceal, from the purchasers of these bonds, the doubts which rest upon the imputed liabilities of the people. It might even be contended, with great force, that continued silence would impose a moral obligation upon the people of Florida to redeem such contested liabilities, even though they might be originally invalid."

Again,

"The people of Florida are not bound by the acts of any who may profess to be their agents, who are not in fact legally constituted as such. Assumption of their name and authority, without their consent, creates no obligation upon them, either legal or moral; and it is only by their silence, by their acquiescence in such usurped authority—so earnestly pressed upon them as dictated by expedience and policy, and by a morbid and mistaken notion of honor—that such obligation can be incurred. This false notion of honor may be purchased at the price of real degradation; and your committee do not think the Legislature would be justified in withholding the expression of their opinion, when silence may involve our constituents and their posterity in irredeemable dishonor and ruin."

The Committee on Corporations of the same House, in 1842, says:—

"The Committee do not, on this occasion, deem it necessary to comment upon the effect of this heedlessness or disregard of the express stipulations of its Charter, manifested by the Bank, in its eagerness to procure these bonds, raise money by the sale of them, and make loans to its stockholders, or upon the effect of the disposition of them under par, as above mentioned. If the validity of the bonds, as binding the people of Florida, was acknowledged, these would be questions well worth considering. "But the People of Florida have decided the question as to their liability for these bonds, upon other and broader principles and grounds. They have said emphatically, that the Territorial Government is not competent to bind them, or pledge their faith, for the use and benefit of private Corporations. No people on the face of the earth would revolt with more indignation, at the commission of an act, which would bring dishonor on their country, than those citizens of Florida who have decided these bonds to be nullities. If we were a sovereign State,—if the Constitution of such State authorized the Legislature to make such pledge,—they would scorn its violation. The last vestige of their property would be cheerfully yielded up to redeem it, and preserve the reputation of their State unstained. But the case of these faith bonds is widely different. With strict adherence to the nicest rules of honor; nay, with a humble, but firm and abiding confidence that they do not transgress those more immutable and sacred precepts of justice enjoined by that Great Being, who punishes the sins of nations and of men; have a large majority of this people resolved not to wear the manacles sought to be riveted upon them, upon their children, and their children's children. They deny that these faith bonds were made by their consent, or that the money obtained by the sale of them, was for their use. They have been created, by a government, not of the people, but placed over them, a mere temporary arrangement by Congress, a police regulation only, a fugacious institute, that removes below even the Legislature of a State, and which in chartering this Bank, and issuing these bonds, has attempted to usurp two of the highest attributes of sovereign power. These agents of federal authority, in the

"selection of but part of which to rule over us, the citizens of Florida are permitted by Congress to have a voice, have by this Charter, sought to make us subject to their unlimited taxation, and render our posterity 'hereditary bondsmen.' The question of 'repudiation,' (as those who contend for the validity of the bonds have sneeringly called it,) 'is forever and finally settled in Florida upon these principles.' No aid has, or will be invoked, from other circumstances, or by a resort to technicalities or degrading quibbles; and the facts above mentioned are only referred to, as exemplifying the defects of the Charter, and the heedlessness of its conductors to the requirements of its letter and its spirit."

In the report of the Judiciary Committee of the House of Representatives of 1842, it is declared:

"In one sentiment repeated in varied expressions several times in the message, the committee concur most cordially and fully. It is the duty of holding sacred the public faith: of preserving the honor and integrity of a Government or people unsullied. He who would tarnish the reputation of his country by the denial or repudiation of her just liabilities, or who would seek for excuses and pretexts to evade or shuffle off such liabilities is one of the basest and worst of traitors."

"The Governor seems to have entertained some apprehension that the people of Florida might violate these rules of National morality. They were done in justice by the suspicion. It is true they have resolved not to pay any of the bonds or guarantees referred to, but it is denied that any of these rules apply to them."

"It is asserted they are not rightful or just liabilities legally or morally binding upon the whole people of Florida."

"The only question involved is:—
"Had the Governor of Florida, or the Council, or both, the power thus to bind the people of Florida; thus to plight their faith and honor?"

After referring to important facts bearing on this question, the report proceeds:

"Other facts could be referred to, redeeming the people of Florida from the imputation, ignorantly or wantonly made, of being prompted by "wicked," "selfish," "shameless," "dishonorable," and "dishonest" motives to deny this power. And, that in so doing, they but fulfil the solemn duty of patriotic freemen, to preserve unimpaired, the rich legacy of political privileges they received from their fathers; to protect their just rights from encroachment, and hand down these privileges and rights to posterity, as perfect as when entrusted to their keeping."

And further,

"These faith bonds and guarantees, so far forth as they are sought to be made binding on the people of Florida, are null and void. They are yet held to be binding on the Corporators—those who obtained the proceeds of them. And it is the solemn duty of the People of Florida, of the Legislature of Florida, and of the officers, Federal and Territorial, to use their utmost efforts to effect the security and honest payment of all of them by those who do righteously owe them. Every principle of justice—every dictate of honesty demands it."

"But the people of Florida never will—they never can, keeping in view the obligations they owe to themselves and to their posterity, rightfully consent to have this spurious simulated faith—these odious usurpations imposed upon them and their descendants. They do not "repudiate" or "disavow" any act of their own. They only refuse to sanction unjust and illegal acts of others, in which they had no agency, but which are sought to be established as their obligations."

"They repel the foul charge of "dishonor," imputed to them for asserting their rights, as unfounded and unjust. They send back the imputation to those who make it, and tell them the "dishonor," and "shame," and "infamy" resulting from the non-payment of the last dollar of these bonds and guarantees will justly fall on those who created, who used them, who imposed them on the purchasers, and have sought and still seek to impose them upon the People."

The Committee deem the only duty yet unfulfilled by the People of Florida, in regard to these Banks and faith bonds, is to see that they do justice to their creditors, wind up their affairs, and cease to exist. To have this done, the General Assembly are morally and legally public Trustees for all parties. The State Constitution makes it our duty to act, and to act this session. We should be faithless to our trust and duty, if we neglected so to do. As it respects the Union Bank, this duty is fulfilled by the passage of the bill now reported. It winds up the bank. It deprives it of the franchise of banking. It provides for the settlement of its affairs. The interests of all parties—of the public, of the State, of the stockholders and debtors of the bank, of the creditors, bona fide bond holders as well as others, are all looked to, and the Committee believe no violation of vested rights has been committed, and the obligation of contracts has not been impaired. The corporation cannot be at once totally abolished; nor till the bonds and mortgages, given to secure the faith bonds, are due, which is not till 1868. But it is disrobed of its usurped and abused powers and privileges, forfeited to the State, and abrogated by the change of government, if they ever legally existed. It is placed in a position where, by a course of probity, prudence and economy, the reputation of all concerned may yet be redeemed, their interests preserved, and the honor of the State saved from impeachment. The Committee purpose reporting other bills, necessary as to other Territorial Corporations, on to-morrow. All of which is respectfully submitted.

WILLIAM BELLAMY,
GEO. CENTER,
W. H. WALL, } Committee.

Which was received and read, and the bill therein mentioned, read the first time, and one hundred copies of both ordered to be printed.

ORDERS OF THE DAY.

The bill to be entitled, An Act to organize the office of Comptroller of the State of Florida, made the special order for to-day, came up on a second reading.

The Senate resolved into a Committee of the Whole on said bill, Mr. White in the chair, and after some time spent therein, rose and reported the bill back with sundry amendments.

Which report was concurred in.

Mr. Haughton moved to strike out the words "and prosecutions," in the 8th line of the 4th section of the bill.

Which motion prevailed.

The bill was then ordered to be engrossed for a third reading. The resolution to go into the election of Judges and other officers on Wednesday next, came up on a third reading.

Mr. Mays moved to lay the resolution on the table.

Which motion was lost.

The resolution was then read a third time and adopted.

Engrossed bill to be entitled, An Act to provide for the making an enumeration of the inhabitants of the State of Florida,

Was read a third time.

On the passage of the bill the yeas and nays were:

Yeas—Mr. President, Messrs. Bellamy, Broward, Carter, Center, Goodbread, Haughton, Hawkins, Mays, McLean, Porter, Walker, Wall, White and Wright—15.

Nays—None.

So the bill passed. Title as stated.

The engrossed bill to be entitled, An Act to organize Courts of Probate for the State of Florida,

Came up and was postponed until to-morrow.

Mr. Wall, from the Select Committee, to whom was referred a communication from the Secretary of War, relative to the purchase of land by the United States,

Reported a bill to be entitled, An Act supplementary to and extending the provisions of an act assenting to the purchase by the United States, and ceding to the same jurisdiction of certain lands on the Island of Key West for the purposes designated in said act.

Which was read the first time.

Engrossed bill to be entitled, An Act to organize the Circuit Courts of the State of Florida, came up.

On the passage of the bill, the yeas and nays were;

Yeas—Mr. President, Messrs. Bellamy, Bell, Broward, Haughton, Hawkins, Mays, McLean, Porter, Walker, Wall, White and Wright—13.

Nays—Messrs. Carter, Center and Goodbread—3.

So the bill passed. Title as stated.

The bill to be entitled, An Act to provide for the registration of the qualified voters of the State of Florida,

Came up, was read a second time and ordered to be engrossed for a third reading.

The House bill to be entitled, An Act to change the county site of Orange county,

Was read a second time and ordered for a third reading.

The bill to be entitled, An Act to establish a board of Commissioners for the regulation of county business,

Came up on a second reading and was made the special order for to-morrow.

The Senate adjourned until to-morrow 9 o'clock, A. M.