

alliance, and commerce, shall not be effectual till ratified by the Legislative Body.

10th. That the instant a war ceases the Legislative Body shall fix a day on which the extraordinary troops shall be disbanded, and the army reduced to its usual peace establishment; that the pay of the troops shall not be continued longer than such a day; and if the extraordinary troops shall remain undischarged after such day so appointed, the Minister shall be responsible for the same, and prosecuted as a state criminal; that for that effect, the committee of constitution shall be bound forthwith to examine this article, and prepare a report on the responsibility of Ministers.—*This Decree received the assent of the King.*



LAWS OF THE UNITED STATES.  
PUBLISHED

*By Authority.*

CONGRESS OF THE UNITED STATES:  
AT THE SECOND SESSION.

Began and held at the City of New-York, on Monday the fourth of January, one thousand seven hundred and ninety.

**AN ACT making provision for the Debt of the United States.**

WHEREAS justice and the support of public credit require, that provision should be made for fulfilling the engagements of the United States, in respect to their foreign debt, and for funding their domestic debt upon equitable and satisfactory terms:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That receiving out of the monies which have arisen since the last day of December last past, and which shall hereafter arise from the duties on goods, wares and merchandize imported into the United States, and on the tonnage of ships or vessels, the yearly sum of six hundred thousand dollars, or so much thereof as may be appropriated from time to time, towards the support of the government of the United States, and their common defence, the residue of the said monies, or so much thereof as may be necessary, as the same shall be received in each year, next after the sum reserved as aforesaid, shall be, and is hereby appropriated to the payment of the interest which shall from time to time become due on the loans heretofore made by the United States in foreign countries; and also to the payment of interest on such further loans as may be obtained for discharging the arrears of interest thereupon, and the whole or any part of the principal thereof; to continue so appropriated until the said loans, as well those already made as those which may be made in virtue of this act, shall be fully satisfied, pursuant to the contracts relating to the same, any law to the contrary notwithstanding. *And provided,* That nothing herein contained, shall be construed to annul or alter any agreement or contract made prior to the passing of this act.

And as new loans are and will be necessary for the payment of the aforesaid arrears of interest, and the instalments of the principal of the said foreign debt due and growing due, and may also be found expedient for effecting an entire alteration in the state of the same:

*Be it further enacted,* That the president of the United States be, and he is hereby authorized, to cause to be borrowed on behalf of the United States, a sum or sums, not exceeding in the whole twelve million of dollars; and that so much of this sum as may be necessary to the discharge of the said arrears and instalments, and (if it can be effected upon terms advantageous to the United States) to the paying off the whole of the said foreign debt be appropriated solely to those purposes: And the President is moreover further authorized to cause to be made such other contracts respecting the said debt as shall be found for the interest of the said States: *Provided nevertheless,* That no engagement nor contract shall be entered into which shall preclude the United States from reimbursing any sum or sums borrowed within fifteen years after the same shall have been lent or advanced.

And whereas it is desirable to adapt the nature of the provision to be made for the domestic debt, to the present circumstances of the United States, as far as it shall be found practicable, consistently with good faith and the rights of the creditors; which can only be done by a voluntary loan on their part:

*Be it therefore further enacted,* That a loan to the full amount of the said domestic debt be, and the same is hereby proposed; and that books for receiving subscriptions to the said loan be opened at the Treasury of the United States, and by a commissioner to be appointed in each of the said States, on the first day of October next, to continue open until the last day of September following, inclusively, and that the sums which shall be subscribed thereto, be payable in certificates issued for the said debt, according to their specie value, and computing the interest upon such as bear interest to the last day of December next, inclusively; which said certificates shall be of these several descriptions, to wit:

Those issued by the Register of the Treasury.

Those issued by the commissioners of loans in the several States, including certificates given pursuant to the act of Congress of the second of January, one thousand seven hundred and seventy-nine, for bills of credit of the several emissions of the twentieth of May, one thousand seven hundred and seventy-seven, and the eleventh of April, one thousand seven hundred and seventy-eight.

Those issued by the commissioners for the adjustment of the accounts of the quartermaster, commissary, hospital, clothing and marine departments.

Those issued by the commissioners for the adjustment of accounts in the respective states.

Those issued by the late and present paymaster-general, or commissioner of army accounts.

Those issued for the payment of interest, commonly called indentments of interest.

And in the bills of credit issued by the authority of the United States in Congress assembled, at the rate of one hundred dollars in the said bills for one dollar in specie.

*And be it further enacted,* That for the whole or any part of any sum subscribed to the said loan, by any person or persons, or body politic, which shall be paid in the principal of the said domestic debt, the subscriber or subscribers shall be entitled to a certificate, purporting that the United States owe to the holder or holders thereof, his, her or their assigns, a sum to be expressed therein, equal to two thirds of the sum so paid, bearing an interest of six per centum per annum, payable quarter yearly, and subject to redemption by payments not exceeding in one year, on account both of principal and interest, the proportion of eight dollars upon a hundred of the sum mentioned in such certificate; and to another

certificate purporting that the United States owe to the holder or holders thereof, his, her or their assigns, a sum to be expressed therein, equal to the proportion of thirty-three dollars and one third of a dollar upon a hundred of the sum so paid, which after the year one thousand eight hundred shall bear an interest of six per centum per annum, payable quarter yearly, and subject to redemption by payments not exceeding in one year, on account both of principal and interest, the proportion of eight dollars upon a hundred of the sum mentioned in such certificate: *Provided,* That it shall not be understood that the United States shall be bound or obliged to redeem in the proportion aforesaid, but it shall be understood only that they have a right so to do.

*And be it further enacted,* That for the whole or any part of any sum subscribed to the said loan by any person or persons, or body politic, which shall be paid in the interest of the said domestic debt, computed to the last day of December next, or in the said certificates issued in payment of interest, commonly called indentments of interest, the subscriber or subscribers shall be entitled to a certificate purporting that the United States owe to the holder or holders thereof, his, her, or their assigns, a sum to be specified therein, equal to that by him, her or them so paid, bearing an interest of three per centum per annum, payable quarter yearly, and subject to redemption by payment of the sum specified therein, whenever provision shall be made by law for that purpose.

*And be it further enacted,* That a commissioner be appointed for each State, to reside therein, whose duty it shall be to superintend the subscriptions to the said loan; to open books for the same; to receive the certificates which shall be presented in payment thereof; to liquidate the specie value of such of them as shall not have been before liquidated; to issue the certificates above mentioned in lieu thereof, according to the terms of each subscription; to enter in books to be by him kept for that purpose, credits to the respective subscribers to the said loan for the sums to which they shall be respectively entitled; to transfer the said credits upon the said books from time to time as shall be requisite; to pay the interest thereupon as the same shall become due, and generally to observe and perform such directions and regulations as shall be prescribed to him by the Secretary of the Treasury, touching the execution of his office.

*And be it further enacted,* That the stock which shall be created pursuant to this act, shall be transferable only on the books of the Treasury, or of the said commissioners respectively, upon which the credit for the same shall exist at the time of transfer, by the proprietor or proprietors of such stock his, her or their attorney: But it shall be lawful for the Secretary of the Treasury, by special warrant under his hand and the seal of the Treasury, countersigned by the comptroller, and registered by the Register, at the request of the respective proprietors, to authorize the transfer of such stock, from the books of one commissioner to those of another commissioner, or to those of the Treasury, and from those of the Treasury to those of a commissioner.

*And be it further enacted,* That the interest upon the said stock as the same shall become due, shall be payable quarter yearly, that is to say, one fourth part thereof on the last day of March; one other fourth part thereof on the last day of June; one other fourth part thereof on the last day of September; and the remaining fourth part thereof on the last day of December in each year, beginning on the last day of March next ensuing, and payment shall be made whereforever the credit for the said stock shall exist at the time such interest shall become due, that is to say, at the treasury, if the credit for the same shall then exist on the books of the treasury, or at the office of the commissioner upon whose books such credit shall then exist. But if the interest for one quarter shall not be demanded before the expiration of a third quarter, the same shall be afterwards demandable only at the treasury.

And as it may happen that some of the creditors of the United States may not think fit to become subscribers to the said loan,

*Be it further enacted,* That nothing in this act contained shall be construed in any wise to alter, abridge or impair the rights of those creditors of the United States, who shall not subscribe to the said loan, or the contracts under which their respective claims are founded, but the said contracts and rights shall remain in full force and virtue.

And that such creditors may not be excluded from a participation in the benefit hereby intended to the creditors of the United States in general, while the said proposed loan shall be depending, and until it shall appear from the event, thereof what farther or other arrangements may be necessary respecting the said domestic debt.

*Be it therefore further enacted,* That such of the creditors of the United States as may not subscribe to the said loan, shall nevertheless receive during the year one thousand seven hundred and ninety-one, a rate per centum on the respective amounts of their respective demands, including interest to the last day of December next, equal to the interest payable to subscribing creditors, to be paid at the same times, at the same places, and by the same persons as is herein before directed, concerning the interest on the stock which may be created in virtue of the said proposed loan. But as some of the certificates now in circulation have not heretofore been liquidated to specie value, as most of them are greatly subject to counterfeit, and counterfeits have actually taken place in numerous instances, and as embarrassment and imposition might, for these reasons, attend the payment of interest on those certificates in their present form, it shall therefore be necessary to entitle the said creditors to the benefit of the said payment that those of them who do not possess certificates issued by the Register of the Treasury, for the registered debt, should produce previous to the first day of June next, their respective certificates, either at the Treasury of the United States, or to some one of the commissioners to be appointed as aforesaid, to the end that the same may be cancelled, and other certificates issued in lieu thereof; which new certificates shall specify the specie amount of those in exchange for which they are given, and shall be otherwise of the like tenor with those heretofore issued by the said Register of the Treasury for the said registered debt, and shall be transferable on the like principles with those directed to be issued on account of the subscriptions to the loan hereby proposed.

*And be it further enacted,* That the commissioners who shall be appointed pursuant to this act, shall respectively be entitled to the following yearly salaries—That is to say: The commissioner for the state of New-Hampshire, six hundred and fifty dollars: The commissioner for the state of Massachusetts, fifteen hundred dollars: The commissioner for the state of Rhode-Island and Providence Plantations, six hundred dollars: The commissioner for the state of Connecticut, one thousand dollars: The commissioner for the state of New-York, fifteen hundred dollars: The commissioner for the state of New-Jersey, seven hundred dollars: The commissioner for the state of Pennsylvania, fifteen hundred dollars: The commissioner for the state of Delaware, six hundred dollars: The commissioner for the state of Maryland, one thousand dollars: The commissioner for the state of Virginia, fifteen hundred dollars: The commissioner for the state of North Carolina, one thousand dollars: The commissioner for the state of South Carolina, one thousand dollars: The commissioner for the state of Georgia, seven hundred dollars: Which salaries shall be in full compensation for all services and expences.

*And be it further enacted,* That the said commissioners before they enter upon the execution of their several offices, shall respectively take an oath or affirmation for the diligent and faithful execution of their trust, and shall also become bound with one or more sureties to the satisfaction of the Secretary of the Treasury, in a penalty not less five thousand, nor more than ten thousand dollars, with condition for their good behavior in their said offices respectively.

And whereas a provision for the debts of the respective States by the United States, would be greatly conducive to an orderly, economical and effectual arrangement of the public finances:

*Be it therefore further enacted,* That a loan be proposed, to the a-

mount of twenty-one million and five hundred thousand dollars, and that subscriptions to the said loan be received at the same times and places, and by the same persons, as in respect to the loan herein before proposed, concerning the domestic debt of the United States. And that the sums which shall be subscribed to the said loan, shall be payable in the principal and interest of the certificates or notes, which prior to the first day of January last, were issued by the respective States, as acknowledgments or evidences of debts by them respectively owing, except certificates issued by the commissioners of army accounts in the state of North-Carolina in the year one thousand seven hundred and eighty-six: *Provided,* That no greater sum shall be received in the certificates of any State, than as follows: That is to say,

- In those of New-Hampshire, three hundred thousand dollars.
- In those of Massachusetts, four million dollars.
- In those of Rhode-Island and Providence Plantations, two hundred thousand dollars.
- In those of Connecticut, one million six hundred thousand dollars.
- In those of New-York, one million two hundred thousand dollars.
- In those of New-Jersey, eight hundred thousand dollars.
- In those of Pennsylvania, two million two hundred thousand dollars.
- In those of Delaware, two hundred thousand dollars.
- In those of Maryland, eight hundred thousand dollars.
- In those of Virginia, three million five hundred thousand dollars.
- In those of North-Carolina, two million four hundred thousand dollars.
- In those of South-Carolina, four million dollars.
- In those of Georgia, three hundred thousand dollars.

*And provided,* That no such certificate shall be received, which from the tenor thereof, or from any public record, act, or document, shall appear or can be ascertained to have been issued for any purpose, other than compensations and expeditures for services or supplies towards the prosecution of the late war, and the defence of the United States, or of some part thereof during the same.

*Provided also, and be it further enacted,* That if the total amount of the sums which shall be subscribed to the said loan in the debt of any State, within the time limited for receiving subscriptions thereto, shall exceed the sum by this act allowed to be subscribed within such State, the certificates and credits granted to the respective subscribers, shall bear such proportion to the sums by them respectively subscribed, as the total amount of the said sums shall bear to the whole sum so allowed to be subscribed in the debt of such State within the same. And every subscriber to the said loan, shall, at the time of subscribing, deposit with the commissioner the certificates or notes to be loaned by him.

*And be it further enacted,* That for two-thirds of any sum subscribed to the said loan, by any person or persons or body politic, which shall be paid in the principal and interest of the certificates or notes issued as aforesaid by the respective states, the subscriber or subscribers shall be entitled to a certificate, purporting that the United States owe to the holder or holders thereof, or his, her or their assigns, a sum to be expressed therein, equal to two thirds of the aforesaid two-thirds, bearing an interest of six per centum per annum, payable quarter yearly, and subject to redemption by payments, not exceeding in one year, on account both of principal and interest, the proportion of eight dollars upon a hundred of the sum mentioned in such certificate, and to another certificate, purporting that the United States owe to the holder or holders thereof, his, her, or their assigns, a sum to be expressed therein, equal to the proportion of thirty three dollars and one third of a dollar, upon a hundred of the said two thirds of such sum so subscribed, which after the year one thousand eight hundred, shall bear an interest of six per centum per annum, payable quarter yearly, and subject to redemption by payments, not exceeding in one year, on account both of principal and interest, the proportion of eight dollars upon a hundred of the sum mentioned in such certificate, and that for the remaining third of any sum so subscribed, the subscriber or subscribers shall be entitled to a certificate, purporting that the United States owe to the holder or holders thereof, his, her or their assigns, a sum to be expressed therein equal to the said remaining third, bearing an interest of three per cent. per annum, payable quarter yearly, and subject to redemption by payment of the sum specified therein whenever provision shall be made by law for that purpose.

*And be it further enacted,* That the interest upon the certificates which shall be received in payment of the sums subscribed towards the said loan, shall be computed to the last day of the year one thousand seven hundred and ninety one inclusively; and the interest upon the stock which shall be created by virtue of the said loan, shall commence or begin to accrue on the first day of the year one thousand seven hundred and ninety two, and shall be payable quarter-yearly, at the same time, and in like manner as the interest on the stock to be created by virtue of the loan above proposed in the domestic debt of the United States.

*And be it further enacted,* That if the whole sum allowed to be subscribed in the debt or certificates of any State as aforesaid, shall not be subscribed within the time for that purpose limited, such State shall be entitled to receive, and shall receive from the United States, an interest per centum per annum, upon so much of the said sum as shall not have been so subscribed, equal to that which would have accrued on the deficiency, had the same been subscribed, in trust for the non-subscribing creditors of such State, who are holders of certificates or notes issued on account of services or supplies towards the prosecution of the late war, and the defence of the United States or of some part thereof, to be paid in like manner as the interest on the stock which may be created by virtue of the said loan, and to continue until there shall be a settlement of accounts between the United States and the individual States; and in case a balance shall then appear in favor of such State, until provision shall be made for the said balance.

But as certain States have respectively issued their own certificates, in exchange for those of the United States, whereby it might happen that interest might be twice payable on the same sums:

*And be it further enacted,* That the payment of interest, whether to States or to individuals, in respect to the debt of any State, by which such exchange shall have been made, shall be suspended, until it shall appear to the satisfaction of the Secretary of the Treasury, that certificates issued for that purpose by such State, have been re-exchanged or redeemed, or until those which shall not have been re-exchanged or redeemed, shall be surrendered to the United States.

*And be it further enacted,* That so much of the debt of each State as shall be subscribed to the said loan, and the monies (if any) that shall be advanced to the same pursuant to this act, shall be a charge against such state, in account with the United States.

*And be it further enacted,* That the monies arising under the revenue laws, which have been, or during the present session of Congress may be passed, or so much thereof, as may be necessary, shall be, and are hereby pledged and appropriated for the payment of the interest on the stock which shall be created by the loans aforesaid, pursuant to the provisions of this act, first paying that which shall arise on the stock created by virtue of the said first mentioned loan, to continue so pledged and appropriated, until the final redemption of the said stock, any law to the contrary notwithstanding, subject nevertheless to such reservations and priorities as may be requisite to satisfy the appropriations heretofore made, and which during the present session of Congress may be made by law, including the sums herein before reserved and appropriated; and to the end, that the said monies may be inviolably applied in conformity to this act, and may never be diverted to any other purpose, an account shall be kept of the receipts and disposition thereof separate and distinct from the product of any other duties, imposts, excises and taxes whatsoever, except such as