Eastern Shore General Advertiser.

EASTON—(MARYLAND) Printed and Published every *Tuesday Morning* by THOMAS PERRIN SMITH, printer of the Laws of the U. States.

[VOL. 2....5.] TUESDAY MORNING, JANUARY 3, 1804. [NO. 18....226.]

REPORT.

The Committee of Ways and Means who were instructed to enquire into the expediency of discontinuing the Office of Commissioner of Loans, in the different states.

REPORT:

That conceiving this establishment may be considered as a part of the contract between the public and its creditors, which is contained in the act, "making provision for the debt of the United States," passed the 4th day of August, 1790; believing that the abolition of the loan offices, by impeding the facility of transferring the debt, may tend, in some degree, to impair its value; unwilling to advise a measure which may, in any manner, however remote, affect the public credit, or which may be constructed into a breach of the public faith, the committee respectfully recommend the following resolution:

Resolved, That it is inexpedient to discontinue the office of commissioner of loans in the several states.

SIR, —

The enclosed resolution having been referred, by the House of Representatives, to the Committee of Ways and Means, I am instructed by that committee, to request that you will cause to be laid before them, such information, touching the practicability and expediency of carrying it into effect, as may be in possession of the Department of the Treasury, which you may deem material.

With perfect respect,
I have the honor to be,
Sir, Yours,
JOHN RANDOLPH, jun.

Nov. 19, 28th year, [1803.]

ALBERT GALLATIN,
Secretary of the Treasury.

—

In the House of Representatives of the United states.

Wednesday, the 17th of November, 1803.

On motion,

Resolved, That is expedient to discontinue the office of Commissioner of loans in the different states, and to transfer the duties of that officer to the Secretary of the Treasury, with an allowance of additional clerks who shall receive for their services, dollars.

Ordered, That the said motion be referred to the Committee of Ways and Means.

—

TREASURY DEPARTMENT,
28th November, 1803.

SIR,

In conformity with your letter of the 19th inst. I have the honor to submit the following facts and observations respecting the practicability and expediency of discontinuing the Office of Commissioner of Loans in the different states, and of transferring the duties of that officer to the Treasury Department.

There is a Commissioner of Loans in each of the thirteen states, which composed the Union on the 4th day of August, 1790, when the act making provision for the debt of the United States was enacted; and the whole of the domestic debt of the United States is credited to the stockholders for the sums to which they are respectively entitled, on books kept either by one of the commissioners aforesaid, or by the register of the treasury.

The debt is transferable only on the books of the the treasury or of the said commissioners respectively, upon which the credit for the same exists at the time of transfer, by the stockholder or his attorney. and the interest is paid and the reimbursement of the principal effected wheresoever the credit for the stock exists at the time when such interest becomes due or such reimbursement is made. But the interest and reimbursement which may remain unclaimed for nine months are afterwards payable only at the treasury: And the proprietors may at any time have their stock transferred 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.

During the last fourteen days of every quarter, all the abovementioned books are *shut*, and no transfer whatever can be effected: that period being employed in calculating the amount of interest and reimbursement payable on the first day of the succeeding quarter to each stockholder, and in transcribing the same on what are called the "dividend books" for that quarter. The sum payable on the treasury books is then, together with the dividend books relative to it, deposited in and paid at the office of the bank of the United States at Washington, to the proprietors, that part excepted which is payable to stockholders (principally foreigners) who have given permanent powers of attorney to the bank of the United States, and which is remitted to that institution at Philadelphia. The commissioners of loans of the states of Maryland, and Delaware, and Pennsylvania, have generally, though not always, completed their calculations and communicated the result to the treasury, early enough to enable the secretary to remit to them the precise amount wanted, before the first day of the quarter. To every commissioner, whose account is not received, a sum *estimated* sufficient to discharge the amount payable, is remitted in time to meet the day of payment. The commissioners of Massachusetts, New York, Pennsylvania, South Carolina and Georgia, deposit the money remitted to them, together with their dividend books, in the bank of the United States, and in its offices respectively where the dividends are paid. The other commissioners, residing at places where there is no office of the bank of the United States, keep the specie and pay the dividends themselves. The amount of dividends on the books of the several commissioners which remain unclaimed for nine months, is from time to time, and as the same is ascertained, paid by the treasury to the office of the bank at the seat of the government, and deducted from the estimate of advances to be made to the respective commissioners. It results from thence that the duties of the commissioners of loans consist in entering on their books, the transfers resulting either from sales or from transfers of stock from one office to another, in issuing new certificates in conformity with such transfers, in calculating and transcribing on proper books, for every quarter, the dividends payable on the stock then standing on their books, and, in those places where the bank of the United States has not any office, in paying the dividends.

If the office shall be discontinued, and the duties thereof transferred to the treasury, transfers must necessarily be made only at the seat of government; but, for the convenience of the stockholder, the dividends payable to those whose stock now stands on the books of the several commissioners, may, although calculated at the treasury, still be paid in the several states respectively; and the place of payment as heretofore on the application of the parties. For that purpose the precise amount of dividends payable, may be remitted, and the dividend books be transmitted from the treasury to the bank of the United States and its several offices at Boston, New York, Philadelphia, Baltimore, Norfolk, Charleston, and Savannah, by whom the dividends will be paid as heretofore, without any expence to the public. A similar arrangement may be made with banks incorporated by the states, in the states of Delaware, New Hampshire, Connecticut and Rhode Island. The dividends and dividend books for the states of New Jersey and North Carolina to be sent to some officer of the United States in those respective states; and as the whole amount of dividends annually payable on the stock standing on the books of the commissioners of loans of those two states does not exceed 40,000 dollars, a commission of two per cent. on the payments made there, would cost only 800 dollars annually.

In order, however, to give the time sufficient for calculating the dividends on the whole debt, and for remitting the amount in time to the most distant states, the period assigned to that operation, and during which the books shall be shut and no transfer can be effected, must be extended from fourteen to at least twenty one, and probably twenty eight days.

The number of additional clerks wanted at the treasury to perform the duties transferred from the commissioners of loans, must be calculated not from the amount of stock now standing on their books, but from the number of persons holding that stock; as it is that number which regulates both the number of transfer, entries, and new certificates, and that of the dividends.

The number of stockholders on the treasury books, is now 2,152, and on the books of the several commissioners of loans, 12,084. Three clerks are necessary to prepare, within the last fourteen days of the quarter the dividend books for the stock standing on the books of the treasury; but as that period must be extended, and as there are now three other clerks in the several offices of the treasury, whose duies relating principally to the loan offices, would cease under the proposed arrangements, these, and eight additional clerks, whose compensation shall not exceed six thousand dollars, will certainly be sufficient to execute the duties now performed at the expence of 26,000 dollars, by the thirteen commissioners and the twenty-one clerks allowed to them. An alteration in the distribution of the duties now assigned to the several clerks in the treasury; or, in the mode of preparing the dividend books, may perhaps, if the arrangements should be adopted, and after its operation shall be fully understood, render hereafter a smaller addition necessary for the transfers would not alone employ the whole of the time of eight clerks during the two first months of each quarter. The register does not think it prudent however to undertake at first with a less number the performance of the additional duties which will thus be transferred to his office.

It appears from thence that the proposed arrangement is practicable, and that it will unite the advantages, by concentrating at the treasury all the transfers, accounts and payments relative to the public debt, securing more completely the public from any possible danger of fraud or delinquency and by the suppression of offices of saving an annual expence of twenty thousand dollars.—But although the stockholders may receive their interest with the same convenience as heretofore, it is not believed that any mode can be devised which will not be productive of some inconvenience and delay in cases of transfers.

As the transfer must be made at the treasury; whenever a sale of stock shall be effected at a distance from the seat of government, it must be done in the same manner as when American stock is sold in foreign countries, or in the United States out of the cities where the loan offices are kept; that is to say, the stockholder who intends to sell, must execute a power of attorney in the name of some person residing in the city of Washington, and to be designated by the purchaser, authorizing him to transfer the stock to the credit of the purchaser.—The power, and certificate of the debt being delivered to that purchaser and by him transmitted to the attorney at the seat of government, will enable that attorney to have transfers effected, and to obtain a new certificate in the name of the purchaser, who will therefore receive the evidence of the debt a few days later than if the transfer had been effected on books kept at the place of his residence.

This, however, appears to be the only inconvenience which will result from the suppression of the loan offices; for an arrangement may easily be made, by which, the papers may be transmitted and the transfers effected by a public officer acting as attorney, and without any expence to the parties.

It may not be improper to add that a difference of opinion may perhaps exist on the true construction of the act making provision for the public debt of the United States, passed on the 4th day of August 1790.

The 3d, 4th, and 5th sections of that act offer certain terms to the proprietors of the domestic debt of the United States, on which they were invited to subscribe to the loan which constitutes the greater part of the existing domestic debt.

The three next following sections establish the loan offices, and regulate the manner of effecting transfers, and of paying the interest. If these sections shall be considered to be like the 11th section of the same law, mere official regulations adopted for the purpose of executing at that time with more convenience, to the operations of government, they certainly may be repeated at the will of congress. If they shall be viewed as making part of the contract then entered into with the public creditors, the provisions they entered into are unalterable without the consent of the creditors.

Two statements are annexed which will shew the amount of domestic debt, which on the 13th of June last stood on the books of the several commissioners, and at the treasury, and the amount respectively owned by foreigners, by states, by banks and other incorporations, and by individuals residing in the United States.

I have the honor to be,
With respect, Sir,
Your obt. servant,
ALBERT GALLATIN.

Honorable John Randolph, jun.
Chairman of the Committee of Ways and Means.

A Statement of the FUNDED DEBT of the United States, on the books of the Treasury and those of the several Commissioners of Loans, on the 30th of June 1803, shewing also the number of Stockholders on the said books, and the amount of the dividends for the year.

On what books.	Six per cent. stock, nominal amount.	Three per cent. Stock.	Deferred Stock, nominal amount.	Eight per cent. Stock.	Five and half per cent. Stock.	Four and a half per cent. Stock.	Navy 5 per ct. & 6 per ct. per act of 31 May, 1796.	Total amount of Stock on the several books.	Dividend on all the Stock for one year.	Number of Stockholders.
Treasury,	11,524,021 23	7,639,332 03	4,563,608 77	394,500	1,221,700	57,800	88,900	25,399,862 03	1,615,678 86	2,152
New Hampshire,	215,693 72	162,726 36	115,638 21	7,600				501,658 29	31,996 34 5	171
Massachusetts,	5,145,663 48	2,431,759 51	2,005,491 73	1,252,400	434,900	9,000	277,700	11,537,080 72	785,036 98 2	4,199
Rhode-Island,	283,586 44	216,165 85	144,422 84	173,200			10,000	827,375 13	55,181 71 8	471
Connecticut,	774,652 88	436,783 19	425,615 76	53,000			2,000	1,692,051 83	113,484 98 7	710
New York,	4,362,929 79	3,243,484 30	2,405,312 83	1,434,200			113,600 / 80,000	11,732,132 92	770,155 41 9	2,204
New Jersey,	196,185 61	116,542 89	110,328 45	19,700				442,729 95	29,591 25 2	212
Pennsylvania,	3,469,341 35	3,430,286 71	2,810,284 03	2,888,700	109,700	103,800	98,600	12,854,712 09	818,665 12 9	2,746
Delaware,	63,953 73	37,552 93	23,233 21	48,700				173,439 87	11,997 54 2	46
Maryland,	346,203 19	411,821 72	162,032 37	100,300				1,023,217 28	61,210 29 6	157
Virginia,	436,863 69	282,384 36	196,925 35	26,100			2,800	139,173 40	62,876 65 4	376
North Carolina,	36,244 91	41,296 02	23,777 88	22,500			26,900	123,818 81	7,840 70 5	43
South Carolina,	1,262,940 92	611,927 61	648,536 23	135,700			108,100	2,767,204 76	188,618 00 0	727
Georgia,	87,105 57	10,631 67	12,587 16					110,324 40	8,294 36 9	23
	28,155,585 51	19,072,695 15	13,647,800 82	6,466,600	1,847,500	176,600	788,600	70,154,781 48	[A] 4,590,628 25 8	14,236

Treasury Department, Register's office, 30th Nov. 1803.

I Certify that the above Schedule, in amount, accords with the Treasury books, *viz.*

Amount as above stated,		70,154,781 48	
Add warrants and certificates out standing,		94,846 04	
			[B.]
Total nominal amount possessed by creditors,			70,249,627 52
Add amount of stock to the commissioners of the sinking fund,			5,843,307 49
Total nominal amount of the Funded Debt, 30th June, 1803.			76,091,035 01

JOSEPH NOURSE, Register.

[A.] Amount of dividends as above stated for one year,			4,590,628 25
Add dividends upon the outstanding Stock, viz.			
On 35,276 59 6 p. c. at 8 p. c.		2,822 12	
21,197 5 3 p. c. at 3 p. c.		635 01	
26,072 40 deferd. at 8 p. c.		2,085 79	
9,200 8 p. c. at 8 p. c.		736	
3,100 Navy, at 6 p. c.		186	
94,846 04			6,465 82
Total Dividends,			4,597,094 07
[B.] Nominal amount as above,			70,249,027 52
Deduct redeemed 1st January, 1804 calculated per table; viz. 6 per cent. stock on books,	28,155,585 51		
Do. outstanding,	35,276 59		
	28,190,862 10 at 23 112228/1000000		6,515,677 14
Deferred stock on books,	13,647,800 26		
Do. outstanding,	26 072 41		
	13,673,872 07 at 6 1711712/1000000		871,806 35
			7,387,483 49
Total unredeemed domestic debt, on 1st Jan. 1804, payments for lands from 1st July, 1803, to 31st Dec following excepted			62,202,144 01