

MAINE STATE LEGISLATURE

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DOCUMENTS

PRINTED BY ORDER OF

THE LEGISLATURE,

OF THE

STATE OF MAINE,

DURING ITS SESSION

A. D. 1838.

EIGHTEENTH LEGISLATURE.

NO. 4.

SENATE.

MR. GREENE'S *proposed amendment to the Bill entitled*
“An Act to repeal an Act prohibiting the emission and
circulation of Bank Bills of a small denomination and
certain others.”

STATE OF MAINE.

IN THE YEAR OF OUR LORD ONE THOUSAND EIGHT HUNDRED
AND THIRTY-EIGHT. ;

AN ACT to suspend for a limited time, the operation of certain portions of an Act entitled “An Act prohibiting the emission and circulation of Bank Bills of a small denomination, and certain others;” also a portion of an Act entitled “An Act further regulating Banks and Banking;” and, also to prohibit the several Banks in this State from making dividends of their profits among the Stockholders until they resume specie payments.

WHEREAS it has been and still is the established policy of this State, to improve and render

3 more secure the currency thereof, by prohibiting
4 the emission and circulation of Bank notes of
5 small denominations; thereby infusing into the
6 circulating medium such a proportion of the pre-
7 cious metals as shall give stability and uniformity
8 to the measure of value, and promote justice
9 and security in all business transactions—a
10 policy adopted with a view to the mitigation
11 and prevention of the evils, then anticipated,
12 and now realized, from the unrestrained issues
13 of Banks of other States—of the wisdom and
14 final success of which this Legislature does not
15 entertain a doubt—and which it is no part of
16 its intention to compromise or abandon:—
17 AND WHEREAS, in consequence of a general
18 suspension of specie payments by the Banks of
19 this and other States, the circulation of the
20 precious metals has been greatly impeded, and
21 a large amount of notes of small denominations,
22 issued by Banks of questionable solvency in
23 neighboring States, has flowed in upon the good
24 people of this State, and which cannot be
25 expelled so long as the suspension of specie
26 payments shall continue, except by permitting
27 for a time, the issue of notes of small denom-

28 inations by the Banks of this State—There-
29 fore,

SECTION 1. *Be it enacted by the Senate*
2 *and House of Representatives in Legislature*
3 *assembled,* That the operation of the first and
4 second sections of an Act entitled “An Act
5 prohibiting the emission and circulation of Bank
6 Bills of a small denomination and certain
7 others,” approved March nineteenth, one thou-
8 sand eight hundred and thirty-six, and the fourth
9 section of an Act entitled “An Act further regu-
10 lating Banks and Banking,” approved March
11 twenty-ninth, one thousand eight hundred and
12 thirty-six, be and the same hereby is suspended
13 for the term of two years from the time this
14 Act shall take effect.

SECT. 2. *Be it further enacted,* That no
2 Banking Corporation in this State, shall directly
3 or indirectly pay to its Stockholders or to any
4 other person for them, any dividends, interest
5 or profits whatever, until it shall have resumed
6 the payment of its bills in specie.

SECT. 3. *Be it further enacted,* That this
2 Act shall take effect and be in force as soon as it
3 shall be approved by the Governor.

STATE OF MAINE.

IN SENATE, February 7, 1838.

ORDERED, That 2000 copies of the foregoing Amendment be printed for the use of the Legislature.

[Extract from the Journal.]

ATTEST : WILLIAM TRAFTON, *Secretary.*