

## REPORTS

OF HOUSE AND JOINT COMMITTEES, DEC. 2, 1867.

Mr Tennant, chairman of the joint committee to whom was referred the military operations of the militia of this Territory, reported as follows, to wit:

Mr Speaker: Your committee, appointed to act in conjunction with a committee from the Council, to inquire into matters concerning the late Indian expedition, beg leave to report as follows:

Your committee met at the Governor's office, November 27th, 1867, and there examined and took the statements of Colonel J. J. Hull, Commissary of Subsistence, Col. Hamilton Cummings, Quartermaster-General, and Col. A. M. S. Carpenter, Chief of Ordnance; and your committee further examined documents, letters, &c., in the possession of the Governor relative to the aforesaid expedition, from which sources they determine the following:

The Department of Commissary of Subsistence, for flour, bacon and other provisions for the forces in the field, has incurred a debt of about (173,000) one hundred and seventy-three thousand dollars.

The Department of Quartermaster-General, for clothing, horses and equipments, forage, &c., has incurred a debt of about eight hundred thousand dollars.

The Ordnance Department, for arms, ammunition and cavalry equipments, has incurred a debt of about fifty thousand dollars.

From these and other sources we estimate the whole debt incurred by the expedition to be about one million one hundred thousand dollars.

The above purchases were made in accordance with the U. S. Army Regulations, to-wit—by public advertisement for sealed proposals, and in every instance the contracts were awarded to the lowest bidder giving the security required.

Your committee believe that the provisions, equipments, &c., purchased as above, were made at reasonable figures, considering the state of the market and all the circumstances surrounding the case.

From the communications received by the Governor from the "Secretary of War," Generals Sherman and Terry, we are of the opinion that the Governor had sufficient authority from the General Government to act in the premises as has been done and your committee believe that a proper representation of the above facts to the Congress of the United States by a joint memorial of the Legislature of Montana, accompanied with abstracts of accounts from the different departments, could not have otherwise than the effect to induce Congress to make the necessary appropriations for paying the above indebtedness, which has no doubt been incurred by authority of the General Government.

Your committee would therefore recommend that a joint committee of one from each House of the Legislature be appointed to draw up a memorial for the purpose above named.

(Signed)

WHITMAN TENNANT,  
Chairman Joint Com.  
HARRY R. COMLY,  
F. E. W. PATTON,  
WELLINGTON STEWART,  
W. E. CULLEN,  
JNO. W. CORUM,  
SAM WORD,

HARRY R. COMLY, Acting Clerk.  
Report received.

Mr Comly, chairman of the committee on Federal Relations, reported as follows, to-wit:

Mr Speaker: Your committee on Federal Relations, to whom was referred certain portions of the Governor's Message, to-wit:

All that portion of the said message which refers to the currency of the country, and all that portion which refers to the annulment of the laws of the last two sessions of the Legislature of Montana, by act of Congress, and which last appears in said message in the following language:

"Congress at its last session, by an act which is herewith submitted, annulled the laws of the Territory, passed at the sessions of March and November, 1866, and February, 1867. Without discussing the causes which led to this interruption of the laws passed by the will of the people, and only remarking that I am sure it was the result of political feeling alone, I hope the Legislature will, without hesitancy, proceed to re-enact all the laws heretofore passed, not prohibited by act of Congress of March 2d, 1867."

Would respectfully report that they have examined with due care and deliberation the aforesaid portions of the message of his Excellency, the Governor, and respectfully submit the following as their opinions concerning the matters therein referred to.

With all due respect for the Executive of this Territory, we are compelled after a careful examination of all the points involved, to disagree with him in his recommendation concerning the currency of the Territory, for the following reasons, to-wit.

First, The change recommended would be changing a circulating medium which is convenient for all purposes of trade, and which has an intrinsic value in itself, for one which is, in many ways, inconvenient and has no intrinsic value whatever, and is subject to violent fluctuations, in representative value, owing to the uncertain status of our national affairs.

Secondly, The laws passed by the Congress of the United States, recognize the so-called legal tender notes, commonly called greenbacks, as the currency of the whole country; notwithstanding the doubtful powers exercised by Congress in enacting these laws, and the Supreme court of this Territory, composed of Federal appointees, upholds as far as we have been able to learn the validity and constitutionality of the aforesaid laws.

Your committee have therefore deemed it futile and unnecessary to enact any laws on this subject which would merely be placing upon our statute books, laws of the United States, which notwithstanding their doubtful constitutionality are in full force amongst us.

Thirdly, Your committee are of the opinion that to enact any law, making anything else but gold and silver a legal tender in payment of debts, would be in direct violation of the stipulations contained in the tenth section of the first article of Constitution of the United States, which among other provisions contains the following:

"No State shall make anything but gold and silver coin a tender in payment of debts."

Notwithstanding, however, that the gold dust which is now the basis of value and the circulating medium of this country, is deemed by your committee far superior to the

so-called "legal tender notes" of the United States yet they are fully aware that the same is not entirely free from objection, and your committee believe that our currency would be greatly improved by the substitution thereof of the gold and silver coin of the United States, and in this connection would recommend that the Legislature memorialize Congress for the purpose of establishing a branch mint in this Territory and with this end in view, your committee would respectfully offer the annexed joint memorial for your consideration, in which we believe the reasons set forth, fully demonstrate the necessity of such an establishment.

Your committee would also respectfully submit that they fully concur with His Excellency, the Governor, in his views concerning the advantages to be derived by this Territory from such legislative action as will induce eastern capital to seek investment in our rich mineral lodes, and also believe that the advantages to be derived from the development of these mines are incalculable; but your committee beg leave most respectfully to differ from His Excellency in the manner in which this great desideratum could be accomplished, and beg leave to suggest that whether the cost of investing in the rich quartz lodes of this country, be calculated in gold or greenbacks, the actual expenditure of value would be the same, and would be immediately perceived by the eastern capitalist.

Your committee, believe, however, that we can by legislative action secure this desirable result by other means less objectionable than the passage of any law attempting to regulate the currency of the country, and would recommend the passage of a good general incorporation act by which capital would be made more secure when properly invested; taking care, however, to so restrict the provisions of the act that they may not be injurious to the great mass of our people, or allow eastern capital to monopolize all our rich mineral lands.

Your committee further believe that one great drawback to the investment of eastern capital in our gold and silver mines, arises from the fact that our country is politically unsettled and our laws uncertain, because we are within the control of the Federal Government, and Congress has seen fit to interfere with our local laws and institutions, thus seriously affecting the investment of capital under those laws, and as a remedy to this state of political chaos, your committee recommend the adoption of a joint memorial to Congress, asking for an "Enabling Act to empower the Territory of Montana to call a convention for the purpose of framing a Constitution for a State Government preparatory to its admission into the Union.

Here your committee desire to call your attention to that portion of the message which recommends the re-enactment of the laws annulled by Congress, and in considering this it will be well to examine the act known as the annulment act, and inquire which acts Congress intended to give us the power to re-enact.

The first section of this act of Congress which went into force March 2d, 1867, provides that after that date, the Legislative Assembly shall not grant any more private charters or special privileges, and in section 6, all acts passed at the session of our Legislature held in 1866, are declared null and void except such acts as the Legislature therein authorized might by special act in each case re-enact.

It would seem, then, under these two provisions, that it was intended to annul all acts, whether public or private, but from the fact that the first section of the act, which applies to all the Territories, prevents the Legislature from granting any more private charters after March 2d, 1867, it would seem that the saving clause in section 6 would apply more particularly to private acts passed prior to March 2d, 1867, and which can never again be granted anew, than to general laws, which this Legislature would have undoubted authority to re-enact, had this saving clause, viz: "except such acts &c." never been introduced.

It was no doubt the intention of Congress, as well as those politicians holding Federal appointments in this Territory, through whose influence this annulment was procured, to abolish all acts, whether general or special; perhaps with a view on the part of the aforesaid judicial politicians to have some particular laws, peculiarly obnoxious to themselves, and which they would not dared to have asked to be annulled separately.

It is the opinion of your committee that Congress was misled by these would be friends of our Territory—these gentlemen in ermine, and that these laws were not annulled because they were bad laws; for the very act which annuls, provides that this Legislature may re-enact. The question then naturally arises, why is this wholesale overslaughing of the will of the people of Montana as expressed through their Legislative Assemblies? In answer to this, your committee would beg leave to call your attention to the fact, that in the laws passed by the first Legislature, the only ones that were allowed to stand on our statute books, there is an act to be found on page 391. of the Bannack Statutes, of which the following is a copy of section one:

"Sec. 1. The salaries of the following officers are hereby increased, in addition to the sums already provided by the U. S. Government, as follows: to the Governor and each of the Justices of the Supreme Court, the sum of twenty-five hundred dollars." &c.

This act was repealed by an act of the second Legislature, which was annulled and it may be found on page 3, of the printed copy of the acts of said Legislature.

Section two of this act is as follows:

SEC. 2. Be it further enacted, That all acts and parts of acts, passed at the last session of the Legislative Assembly of the Territory of Montana, allowing additional, or any compensation to the Governor, Judges of Supreme or District courts, members of the Legislative Assembly, or any officers of the Council or House of Representatives of this Territory, be and the same are hereby repealed.

The effect of the annulment act was to repeal this last mentioned act and to thus reinstate in full force the a-giving increased compensation to certain officers, and remarkable as it may seem, certain of these officers freely acknowledge that it was through their influence our laws were annulled. Therefore, your committee believe that his Excellency, the Governor, is entitled to much praise in recommending that these acts so annulled, be re-enacted by this Legislature.

Your committee believe that the laws thus annulled were good and wholesome laws, and would add their voices to the Governor's in recommending their re-enactment. All of which is respectfully submitted.

HARRY R. COMLY, Chairman.