Mr. Solomon—An act for the relief of J. Agaillard, State tax Collector for the ninth representative district of the city of New Orleans
Referred to the Committee on Finance.
Mr. Munday—An act to provide for the execution of slaves and free persons of color.
Referred to the Judiciary Committee.
Mr. Vaughn—An act to authorize the Police Juries of the several parishes in this State, to provide for support of the poor and necessitous within their respective parishes.
Referred to Committee on Parochial Affairs.
Mr. Commandeur—An act to exempt the property belonging to the society for the relief of Seamans orphan boys from municipal taxation.
Referred to the Committee on Charitable Institutions.
Mr. Commandeur—An act to amend an act relative to advertisements of sheriffs sales, approved 23d March, 1850.
Referred to Judiciary Committee.
Mr. Walker—An act for the relief of the vete[ran] of 1812 and '15 herein named.
Referred to Committee on Militia.
Mr. Powell—An act relative to Police Juries.
Referred to Judiciary Committee.
Mr. Bowers—An act for the relief of Wm. Reed
Referred to the Committee on Finance.
Mr. Bowers—An act to change the name of Jan Jacob Fuche to John Jacob Fuch.
On motion, the rules being dispensed with, said act was read several readings, and was passed with their titles.
The Clerk was directed to request the concurrence of the Senate thereto.
EXECUTIVE OFFICE.
The House then took up the bill entitled,
An act to create the parish of Dugdemonia.
On motion, the bill section was amended, and then adopted as amended.
On motion, the bill was adopted on its third reading.
Mr. Ryan moved to strike out in the title (engrossed), and insert "Winn"
Mr. Packam called for a division of the question.
On the motion to strike out Dugdemonia, the ayes were 4, nayes 6.
Mr. Evans moved to insert Winn.
Mr. Richardson moved to insert John Moore.
Mr. White moved to insert Fillmore.
Mr. Dickson moved to insert Clare.
Mr. Powell moved to insert Taylor.
The motion to insert Winn and John Moore was adopted last.
The motion to insert Fillmore was adopted.
The amendment moved to recommit and Messrs. Selby and Blackburn called for the yeas and nays.
The roll being called, it appeared that
Messrs. Alexander, Ard, Augustin, Bartlett, Bickerson, Chaplin, Castillo, Carr Cox, Dr. Decourt, Edwards, Grayson, Harry, Hodskiss, Heath, Lambert, Lewis, Lesson, Looney, McCutchen, Meehan, Moseley, Nasser, Peck, Prescott Powell, Purvis, Rogers, Ryan, Smart, Selby, Taylor, Simpson, of Jackson, Swearingen, Walker, and Welsh—forty members—voted in the affirmative, and
Messrs. Barthlean, Bond, Chapman, Commander Connelly, Day, Dufferes, Desvignes, Fleming, Fourcher, Gardner, Haring, Hanson, Lathrop, Lapice, Lovell, Lumsden, Morgan, Payne, Price, Phillips, Pugh, Richardson, Richardson, Robin, Routh, Robertson, Sarbonnade, Sever, Simpson, Sober and Scott, Summers, Terrel, Thompson of Rapides, Vaughn, Waterman and White of Lafayette, voted in the negative.
The amendment and motion to reconsider was lost.
Mr. Parham then moved to recommit the bill to the committee on Parochial affairs, which was adopted by common consent.
MESSAGES FROM THE SENATE.
The House then took up the following engrossed bills of the Senate
An act for the relief of James Brown, a veteran of 1814 and 15.
An act for the relief of Thomas C. Brown and James Grimshaw, veterans of 1814 and 15.
An act for the relief of Rezaland Beard, a veteran of 1814 and 15.
An act for the relief of Alexander D. Bendernagel, a veteran of 1814 and 15.
An act for the relief of John Moore, a veteran of 1814 and 15.
An act granting pensions to Antoine Mallet and John McDaniel, veterans of 1814 and 15.
An act to grant certain pensions to the January Pensioners, veterans of 1814 and 15.
An act to renew the pensions of James Scott, Jeremiah D. Cruttenden, Wiley Young, Jr. Gordon, and Jose A. Hernandez.
On motion the above bills were referred to the committee on finance.
MESSAGES FROM THE SENATE.
The House then took up the following bills and joint resolutions of the Senate.
A joint resolution authorizing the State Engineer to draw for necessary expenditures.
Referred to the Committee on Finance.
An act to reduce the salary of the Adjutant and Inspector General of Louisiana.
Referred to the Committee on Retrenchment.
An act for the relief of Henry Lasch and Monte Norman, of the parish of Orleans.
Referred to the Committee on Finance.
An act for the relief of A. E. Lawton, W. E. Clare, A. D. Harrison, E. D. Hart and others, teachers of schools in the parish of Baton Rouge, for services rendered children in the year 1849.
Referred to the committee on education.
An act to amend an act entitled, an act to incorporate the town of Carrollton, approved March 7, 1846.
An act to incorporate the town of Clinton in the parish of East Feliciana.
An act increasing the number of jurors in the parish of Point Coupee, from 48 to 100.
An act to amend an act entitled, an act to provide for carrying into effect the Judiciary system, approved May 29, 1846.
On motion, the rules being dispensed with, said bills were read several readings, and were passed with their titles.
The clerk was directed to request the concurrence of the Senate thereto.
The House then took up for a second reading the bill of the Senate entitled,
An act relative to sales of succession property.
On motion the same was ordered to be engrossed.
The House then took up the bill of the Senate entitled,
An act to repeal the first section of an act entitled, an act relative to the bonds of Tax Collectors, and other public officers, approved March 16, 1846, which is a substitute for the bill entitled,
An act to provide for taking the bonds of State Collectors of Taxes.
On motion, the rules being dispensed with, said bill was concurred in.
The clerk was directed to inform the Senate of the concurrence of the House thereto.
The Speaker laid before the House the following communication from the Governor, accompanied with the report of the commissioners of the Charity Hospital:
EXECUTIVE OFFICE,
Baton Rouge, Feb. 11, 1852.
To the Senate and House of Representatives.
I herewith transmit to you the report of the Administrators of the New Orleans Charity Hospital, for the years 1850 and '51, together with a copy of the letter of the Secretary of that Institution, which accompanied the report.
JOSEPH WALKER.
CHARITY HOSPITAL,
N Orleans, Feb. 9 1852
To his Excellency, Joseph Walker, Governor of the State of Louisiana:
SIR: I am instructed by the Board of Administrators of the Charity Hospital, to transmit the accompanying reports of the working and affairs of the Hospital, for the years 1850 and 1851, to your Excellency, that the same may be laid before the respective branches of the Legislature.
It was thought advisable to have the reports printed in pamphlet form, before transmitting them to the Legislature, which will account to your Excellency for the apparent delay in the transmission of them.
Your Excellency will also observe, that the reports are signed by the Vice President, which was deemed proper, because since the removal of the seat of Government from the city, it has not been in your power to attend the various meetings of the board, and the Vice President being cognizant of all proceedings it was deemed proper that he should sign the report, and the Secretary to attest the same.
With great respect I am,
Your Excellency's,
Most obedient servant,
H. BIER, Sec.
The House then took up for a second reading, and to suspend the faithful execution of the law of 1842, and of all the charters and by-laws so all the banks working under it. Then it is clear, that, to the best of our knowledge, we are to interpret the laws, and should any one of the banks pretend that the Legislature has passed an act modifying the law of 1842, and the charter and by-laws under which that bank works, it is evident that it would become our duty to decide, to the best of our understanding, whether that law, admitting it to be constitutional, is applicable or not. If we thought that it had no bearing upon the aforesaid law of 1842, and upon the charter and by-laws of that bank, we would, of course, disregard it. If we have the right to judge for ourselves, and to declare that, in our opinion, a bank is working under a law, which, although constitutional, is not applicable to it, we have the same right to decide that it is working under a law, which, if applicable, is null and void, on account of its unconstitutionality, and we ought to act accordingly, until the court satisfy us that we are wrong.
You say: how Mr. Gayarre ever reflected how the Attorney-General is to proceed? Representing the State in all matters pertaining to his public duties, would it be either proper or decent for him to attack one of the laws as unconstitutional? He acts in the name of the State. It is his duty to maintain the laws and not to act in opposition to them, &c.
My answer is: The Legislature and the Governor are not the State of Louisiana. The people are the State and when the Attorney-General acts in the name of the State, it means that he acts in the name of the people and not of the Legislature. Far from being the State, the Legislature and the Governor are only branches of the Government, and the whole government itself is not the State. The government is divided into three branches, the Legislative, the Executive and the Judiciary. Then, there is the constitution, proceeding from the people of the State, in convention assembled, which is the paramount law of the land, and there are the other subordinate laws, which are the creatures of two branches of the government, and which are to be regarded, only so far as they conform to the dictates of their sovereign lord, the constitution. The Attorney-General, in common with every other citizen, owes his allegiance, first, to the constitution, and, next, to the inferior laws; and, in my opinion, by virtue of the constitution, and in the name of the State, that is of the people thereof, he ought to disregard any act of one branch or two branches of the government interfering with the will of the State, expressed in the constitution, and he has the power and the right to bring that unconstitutional interference before the other branch of the government—the judiciary, which the constitution has established as a check on the Legislative and executive branches.
But say you, he is sworn to maintain the laws. How can he sue to have one of them set aside? Yes, he is sworn to maintain the constitution and the laws—that is, all constitutional laws; and this is the very reason why, in order to maintain the constitution, he must disregard a law that he deems unconstitutional, and endeavor to have it so declared by judicial decision. But a law is not null and void, only from the time of its being pronounced unconstitutional by the proper authority. It is void ab initio. It never was a law.
You ask me how the Attorney-General is to proceed. The answer is easy, indeed. Should he think the act of 1850 unconstitutional, he is bound not to acknowledge it as a law, and then, he can, in the name of the State, proceed against the Louisiana State Bank, for a violation of its original charter of 1818, and of the supplementary act of 1824, as if the act of 1850 was not in existence. On the trial of the case, the bank would no doubt, rely in court, as it relied with the Board of Currency, on the act of 1850. Thus, the act would come lately before the court, and there would follow a decision of capital importance to the public, and to the bank.
You say, he (Mr. Gayarre) states that the law is interpreted by the bank, extend it operation indefinitely, and yet he quotes the restriction contained in the law of 1850, viz: that the condition of the bank, with respect to its liabilities shall at all times, be, and to such a degree, that its bills in circulation and its deposits, shall not exceed the amount of its cash liabilities, and that liability must be chiefly in deposits.
I regret that I cannot put the same construction on the restriction contained in the law of 1842. Thus, on the 1st of February, the operations of the bank exceeded $5,500,000. And what is there in the 1st and 2nd sections of the law of 1842, alluded to in that act of 1850, to prevent the bank from extending its liabilities, to ten millions, if it pleases, provided it does not increase the investment in its dead weight, which increase of the dead weight, it can prevent by only on certain conditions. But where is the restriction as to its other operations? Was therefore my allegation incorrect, as to its being able to extend its operations indefinitely? But the question is not about the amount to which it can stretch its operations beyond the limitation specified in its charter, but whether it can go out of that limitation at all.
During four years, that General Walker and myself constituted the Board of Currency there is not a bank, I believe, that would not denounce for what we conceived to be violations of the law of 1842, or of its charter and bye-laws. The bank never showed the least feeling of resentment on the subject; they seemed to appreciate our motives, and we frequently gave them directions to which they cheerfully submitted. Nay, from several of them, we received commendation for the watchfulness which we exercised. The members of the Board of Currency are appointed by the State, it is true, but are paid by the banks. We have to perform the duties of guardians for their own benefit, and I claim to be entitled to the acknowledgment of the Louisiana State Bank, as one of her guardians, for having attempted to prevent her from following a course, which I thought, and I still think, to be unsafe.
It must be recollected that the operations of the bank have extended to one million five hundred thousand dollars beyond the double of its capital. It must also be recollected that the act of 1850, under which it now works, may be declared to have been never null and void, as unconstitutional. Now, suppose that one of the branches has loaned, in virtue of the act of 1850, the sum of one hundred thousand dollars, on first mortgage. The party borrowing the money cannot, it is true, avail himself of the unconstitutionality of the act of 1850, to the detriment of the bank. C, however, who is a third party, and who has a second mortgage on the same property, sues B., obtains judgment, and proceeds to execution. The bank comes in to be paid in preference. But C, the creditor of B, argues that the Branch Bank loaned the money and obtained the mortgage by virtue of a law which is unconstitutional, which is null and void, and therefore that he, as a third party, is not to suffer by it. Should the court so decide, C, would be paid in preference to the bank, and then what would become of the claim of the bank? Would not this be what lawyers call a nice case?
Let it be kept in mind, that, when transactions take place, by virtue of a law, which may be declared to have always been null and void, and to have never authorized such transactions, there are many third parties such as creditors, minors and wives, who may be disposed to take advantage of the nullity of such transactions, as to their rights. These suggestions I make, merely for what they are worth. Perhaps an acute lawyer, (and I have no pretensions to be one,) might discover in that act of 1850, an abundant source of successful litigation against the bank. Considering therefore, that the bank is exercising doubtful powers, (and I am strengthened in this opinion by that of many respectable members of the bar,) considering that the exercise of all doubtful powers is dangerous, I think that the bank has no right to complain of my having waked her out of fancied security, and of having started a question, which may be to her interest to have decided as soon as possible.
But say you: The starting of this question has been prejudicial to the interests of the State, at a time when a deficiency of bank capital is so severely felt. I regret it exceedingly, but I reply in your words: that the Board of Currency is not the judge of the expediency of a law. It the original charter of the bank has not been modified by the act of 1850, on account of its unconstitutionality, it becomes my duty, as a member of the Board of Currency, to do all I can to enforce said original charter of the bank, whether it be prejudicial or not, to the agricultural and commercial interest, because I have no discretionary power on the subject and have, as you say, nothing to do with the expediency or inexpediency of a law. I deny, however, that the starting of the question whether the Louisiana State Bank could extend its operations to one million five hundred thousand dollars beyond the amount to which it is limited by its original charter, has been prejudicial to the agricultural and commercial interest of the State, although I admit that it may have been prejudicial to a few individuals; and it pushed, I may take the trouble to demonstrate, that the course I have pursued, was not only required by law, but by the true interest of commerce and agriculture.
For the reasons which I have given, I regret that your arguments have not brought conviction home to me. The Board, therefore, must remain divided, and cannot act as a Board on the subject. For my part, I have done with the question, my duty has been performed, I am satisfied.
I have but one word to add in relation to a passage in a communication, which you published on the 27th inst., and in which you say; he, Mr. Gayarre, starts out with the assertion that on the 6th and 7th last, we proceeded together, as the Board of Currency, to the examination of the banks located in the city of New Orleans. In this whole paragraph there is not one word of truth.
It is true, sir, that the Canal Bank, was the only one that we examined together, but, as it had been agreed, on an inquiry addressed by the clerk to you, as to the manner in which the entry should be made on the minutes, that it should be put down.
FEBRUARY 6TH.—The Board proceeded to the examination of, &c.
FEBRUARY 7TH.—The Board proceeded to the examination of, &c.
And as the clerk had thus made the entry, I thought that, considering you had made my individual act the act of the Board, it would have been indecorous to me to declare, in a publication of the 10th, that I had visited the banks alone, and not in your company. I was bound in my publication to conform to the record, according to all the rules of propriety, and considering that you had made my individual action, the action of the Board, my language was strictly correct when I said, that the Board had proceeded, &c. I am sure that I would have exposed myself to just reproaches from the clerk and from you, if I had stated anything contrary to what had been entered on the record, with the consent of all parties. Such being the facts, and I appeal to our clerk on the subject, I think that your assertion, that there was not one word of truth in my statement, might have been spared.
Signed,
CHARLES GAYARRE,
Secretary of State.

BATON ROUGE, March 15th, 1851.
To HON. CHARLES GAYARRE, Secretary of State.
SIR:
My attention has been directed to a paper, over your signature and addressed to me, bearing date, "New Orleans, February 28th, 1851." I had determined, in my own mind, to reply in no manner to any paper issuing from you in future, displaying the tone and temper of the preceding one, but, sir, as you have "taken into respectful consideration" my last communication, and as your last displays much more ability than any that have issued from you at any former period, I will give it its proper and due weight, and proceed to point out some grave errors into which you have evidently fallen. I desire here to enlarge upon my former argument in respect to the unconstitutionality of the act of 1850, renewing the branch of the State Bank at Baton Rouge. That law reads as follows: "That in case the Louisiana State Bank, shall establish a branch of said institution in the city of Baton Rouge, conformably with the authority vested in said branch by the sixteenth section of its charter, the Treasurer of the State is hereby authorized and directed to keep its deposit in said branch, and the amount which said bank may hereafter loan through its branches shall, not be deemed to diminish the amount of loans to which it is limited by its charter; Provided, That the condition of said branch shall at all times be with respect to its liabilities, such as required by the first and second sections of an act to revive the charters of the several banks, located in the city of New Orleans, and for other purposes, approved February fifth, eighteen hundred and forty-two." The article of the constitution, 122, referred to, reads thus: "No corporate body shall be hereafter created, renewed or extend with banking or discounting privileges." By a close and analytical consideration of this article, it will be seen, as I have stated in a former paper, that "by this article of the constitution the convention intended to put an end to the power of the Legislature to create corporate bodies with banking or discounting privileges. It was not intended to affect in any way the then existing privileges of the subsisting institutions. All their responsibilities and privileges remain to their entire extent. It was to put an end forever, to all such institutions in future. It was to prevent the creation of new, and the renewal of the old. and I might have added, the extension of the old. I am happy to find, sir, that "in all this we fully agree." But I find that you "most positively deny" that "it was not intended to affect the power of the Legislature to increase the capital of the subsisting institutions, or to widen and extend their operations."
By a careful reading of the article, it is manifest that its whole force is directed against the power to "charter" corporate bodies "with banking or discounting privileges." It is the corporate bodies that are not to be created, renewed, or extended" and not the "privileges" of those already in existence. The expression "with banking or discounting privileges" is merely descriptive or indicative of the character of the corporate bodies, the "creation, renewal or extension" of which are prohibited and proscribed by the constitution. This construction is the more manifest, when we consider that without the descriptive clause, the article would stand in its terms so broad that the creation of any corporate body whatsoever would be unconstitutional, let its nature or purpose be what it might. Such was evidently not the intention of the convention, for in the very next article they use the following language: "corporations shall not be created in the State by special laws, except for political or municipal purposes; but the Legislature shall provide by general laws, for the organization of all other corporations, except corporations with banking or discounting privileges, the creation of which is prohibited."
Now it appears to me that the reading of this article serves to make more manifest the truth of the interpretation that I have given above. This expression cannot by any process of just reasoning, be tortured into a restriction upon the Legislature to increase the capital, as well as the sphere of operations of the existing banking corporations. Such an interpretation is neither borne out by the letter nor spirit of the article 122. The word create was intended to limit, and does limit the power, in future, to charter any corporations possessing these peculiar privileges. The word renew was intended to restrain the Legislature from the exercise of the power of reviving any of these corporate bodies, after the expiration or forfeiture of their present charter. The word extend has relation alone to time. It was intended to restrain the power of the Legislature to increase the duration of these bodies corporate, fixed and limited by their existing charters. Neither expression has any application whatever, to the privileges of these institutions. Neither the creation of new, nor the renewal or extension of the old. This seems to me to be a plain and just interpretation of this article of the constitution. Indeed, it has been so understood, by what you might consider high authority. Mr. Cambreling, in the New York convention, remarked that, "Were this an original question, I should prefer dissolving all connexion between our government and the banks, and recommend the provision adopted last year by the convention of Louisiana. The severe loss of that State where a debt has been incurred of near twenty millions by banking has introduced the most salutary reform. He'y deny their Legislature the power to create or renew any bank charter—indeed, what difference does it make, whether a bank has a capital of two millions or four millions, if she is operating on a safe principle. If she is operating on a safe principle, her issues cannot be considered, to use the slang of the past, as "bank rags." In a former paper, I held the following language, which I see no just reasons to abandon: "an act establishing a branch of any of the banking corporations pertains to the mother institution. It deeply concerns its interest, is under its control and management, and is nothing more nor less than an agency." The act of 1850 did no more than establish a branch of the State Bank at Baton Rouge. It repealed no law, nor parts of laws, as I will show when I come to the discussion arising under the 119th article of the constitution.
The first section of the act of 1842, reads thus: "That the charters of all the corporated banks in the city of New Orleans, be and the same are hereby severally and respectively revived, and all powers, rights, privileges, immunities, limitations, prohibitions and restrictions, contained in said charters, are hereby renewed, extended and made applicable in full force to each of said banks, respectively, subject to the limitations and provisions hereinafter contained, provided," &c.
In 1836, the banks, by the suspension of specie payments forfeited their several charters. It was necessary, then, in order that they should again have a legal existence and exercise all the privileges and franchises rightfully belonging to them, antecedent to said forfeiture, that they should again be called into existence by an act of the sovereign powers, exercised through the constitutional forms. Prior to the act of 1842 all their privileges and franchises were extinct, without any vital force. In calling them again into existence, the Legislature thought proper to remove the restrictions formerly existing in their several charters, and amplify their sphere of action. Whether this was wise or unwise legislation, is not now to be considered, as I am not discussing the policy of the law, but merely laying down what the law is. In removing these restrictions and amplifying their sphere of action, the Legislature contemplated a certain contingency.
They considered it probable that, but few of the banks would accept of the act of 1842. Under the anticipation they saw the necessity of enlarging the scope of their operations. The whole country was in a state of bankruptcy. The commercial, agricultural and mechanical interest were prostrate, and depressed to the lowest ebb; they imagined that by expanding the operations of the several banks that might accept, they would infuse new life and vigor into the branches of trade and industry. Whether or not, the experiment had the desired effect, the result is before the community. They proceeded to revive the charters of the several banks, with all their privileges, restrictions, &c., "subject," however, "to the limitations and provisions of the act that brought them again to life. Seeing, however, the evils and disasters that had flowed, and were likely again to flow, from too great an expansion in the operations, they, in the same act, constituted the Board of Currency, defining and describing its duties. These duties are embraced by the second section of said act, and among them we find the following: "no take care that the paper money issued under the authority of the State, be not depreciated," our duty consists, then by means of constant vigilance and weekly statements, to maintain the banks in a sane line of operation.
By the above quotation from the act of 1842, we find that the provisions of the acts of 1818 and 1834, are subject or subordinate to those contained in said act of 1842. In fact, the act of 1842, together with the two former acts, constitute the charter of the bank. The provisions of the act of 1842, when in conflict with those of 1818 and 1834, remain steadfast, while they yield. This is in strict conformity with every just rule of interpretation. The exception of the rule is coeval with that of common sense.
Now, no doubt rests upon my mind, but that the second paragraph of the first section of the act of 1842 grants to the banks unlimited powers of expansion in their short paper, subject and submissive, however, to the restraining power vested in the Board of Currency. It seems that we, unfortunately, differ most essentially with regard to the mode of exercising that power. You imagine that the act defining those duties, authorizes you to alarm the community by the publication of exparte statements, thereby depreciating the paper money, issued, under the authority of the State," which you were appointed to protect. And what is still more extraordinary, you assumed it to be your duty thus to act, at a time when the condition of the bank is both sound and safe.
The short paper of the bank is viewed as cash, in fact, to use the language of the law itself, it forms "a competent part of the specie basis intended to meet the circulation and deposits." The short paper insures a rapid movement in the daily receipts. Indeed, under the present operations of the State Bank, this rapid movement in the daily receipts is not only quickened, but doubled, in as much as her loans have only forty days to run. Indeed, the idea of her prostration under a commercial crisis, is the more diminished when we consider the diffusiveness of her operations on loan. You will remember that this very point was not only a matter of conservation, but of examination with us.
How much more would it have comported with the dignity of our stations, with the interests of the community; the interests of those institutions and the soundness of the currency, had we, in the spirit of conservators of the currency, admonished the bank, not to step beyond the limit of the present operations, should we have deemed it unsafe.
If the restraining sections of the acts of 1818 and 1834, are repealed by the act of 1842, which no well-balanced mind can doubt, the act of 1850 could not affect them in any way, and your whole argument on this point falls; and furthermore, the case of the Commercial Bank of Natchez vs. Markham, quoted by me in a former paper, supports the construction which I have put upon the 119th article of the constitution. For the same reason, the whole of your argument founded upon the 119th article, loses its force and point—the law of 1850 neither having revived or amended any law.
"During four years (your remark), that General Walker and myself constituted the Board of Currency, there is not a bank, I believe, that we did not denounce." This you attach to it. It sounds harsh to American ears; but if you mean by the expression that you directed the attention of the bank to errors they had committed, and had those errors corrected, then I affirm that in this particular you have done no more than I have. You will doubtless remember that I called the attention of the Board to a gross and palpable error committed by one of the banks in their weekly statements. Yet this error had not been detected until the period I refer to, notwithstanding it crept into their statements as early as 1844. I did not, however, denounce the bank, but in the spirit of kindness, had it corrected. You thought that the twelve hundred thousand dollars worth of the shares of her own capital stock, that she had purchased, and which she had down under the head of exchanges, might be placed under the head of cash assets, for the reason that they might be made available in the market on the morrow. It not under the head of cash assets, you thought it might be put down under the head of "dead weight." I combatted all of those positions, and had it properly corrected. The bank corrected it cheerfully and promptly. We will now examine a brief space your nice case. In it you are very careful to express no opinion whatever. The case is stated hypothetically, and you so state the judgment of the court: "should the court so decide, &c." Now who can deny a proposition so laid down. But, sir, if you intend to affirm that such would be the judgment of the court, I then take issue with you. I affirm that such a judgment would neither be consistent with law or morals, and in this opinion I am strengthened by that of able counsel. C. would not only come in with constructive, but actual notice of the subsisting contract between A. and B. constructive by reason of the registration of the act, and actual for the reason that the law requires of the notary, under heavy penalty, to certify all prior acts of mortgage—C. would not be the innocent third party that you suppose, on the contrary, he comes in with full knowledge, and would not be allowed to enter up any such plea. By a course of analogical reasoning, I could show that the Supreme Court of the State has observed this principle. Such a decision would be opening a wide door for fraud and collusion. It would indeed make a nice case.
One word more, and I have done. In your communication to which this is a reply—you state, in justification of your instating the facts, "that I was bound in my publication to conform to the record, according to all the rules of propriety, &c." It is too late now for you to intimate any veneration for the record, after having adopted the columns of newspapers as the medium of communication between yourself, the Attorney-General, and your colleague; and furthermore, I had already stated, in a former paper, that you had assumed all the powers and duties of the Board of Currency, and pursued a course highly disrespectful to me, and for you to make statements, that you knew at the time were erroneous, under these circumstances, is without justification, more ter, addressed to me. In using the expression, "in this whole paragraph, there is not one word of truth," I did not mean to charge you with falsehood, but merely with error. I make this sincere explanation, for the reason, that, from the beginning to the end of this controversy, it has been extremely painful to me, and I am not unwilling to soften down its asperities.
(Signed,)
GEO. C. McWHORTER,
State Treasurer.
APRIL 9TH, 1851.—According to the notification transmitted by me, Geo. C. McWhorter to Mr. Charles Gayarre, through the clerk of the Board, to meet at the office of said Board, at 10, A. M., to proceed to the examination of the banks. Mr. C. Gayarre appeared at the said office, at said hour, where he waited until 11 o'clock, and then retired, the Board not being complete on account of the absence of Mr. McWhorter.
(Signed) GEO. C. McWHORTER,
State Treasurer.
CHARLES GAYARRE,
Secretary of State.
APRIL 10TH, 1851.—The Board met and proceeded to the examination of the following banks: The Louisiana Bank, the Louisiana State Bank, the Consolidated Association, and the Citizens' Bank, and adjourned till to-morrow at 10 o'clock, A. M.
(Signed,) CHARLES GAYARRE,
Secretary of State.
(Signed,) GEO. C. McWHORTER,
State Treasurer.
APRIL 11TH, 1851.—This day the Board met according to adjournment and proceeded to the examination of the Mechanic's and Traders' Bank, the Union Bank, and the Canal and Banking Company, and having found these institutions in a satisfactory condition adjourned sine die.
(Signed,) GEO. C. McWHORTER,
State Treasurer.
(Signed,) CHARLES GAYARRE,
Secretary of State.
JUNE 10TH 1851.—This day the Board met and proceeded to the examination of the following banks. The Canal and Banking Company, the Union Bank, the Mechanics' and Traders' Bank, the Bank of Louisiana, the Louisiana State Bank, the Consolidated Association and the Citizens' Bank, and found these institutions in a satisfactory condition. The Board directed a certain correction to be made in the weekly statements of the Louisiana State Bank, and also requested the Cashier of the Union Bank to have in future an amount of specie equal to one-third of the liabilities of said bank and adjourned sine die.
(Signed,) CHARLES GAYARRE,
Secretary of State.
(Signed,) GEO. C. McWHORTER,
State Treasurer.
SEPTEMBER 6TH 1851.—This day the Board met and proceeded to the examination of the banks, but Judge G. McWhorter, State Treasurer, was obliged to retire from illness, when at the Canal Bank, after having requested his colleague, Charles Gayarre, Secretary of State, to go on with examination in the name of the Board. Whereupon the Secretary of State proceeded to the examination of the Banks, and so far as he could judge, found these institutions in a satisfactory condition. But he deemed it his duty to address to the President and Directors of the Louisiana Bank the following communication, which he directed the clerk of the Board to deliver to the President of said institution.
NEW ORLEANS, September 6th, 1851.
To the President and Directors of the Louisiana Bank.
Gentlemen:
I deem it my duty to call your attention to your weekly statement of the 1st of September, and beg you to favor the Board of Currency with some explanation on the subject.
The 9th section of your act of incorporation, approved April 7th 1824, says:
That the President, Directors and Company of the Bank of Louisiana, are hereby made capable, to buy, receive and possess all kinds of property either immoveable or moveable, and to loan, negotiate, sell, grant, alien, dessise and dispose of the same, and to take mortgages and pledges, and to buy and sell bills of exchange and checks, and to discount upon banking principles, on such credit and on such security as they shall think advisable: Provided, it does not exceed in value the double of their capital, exclusive of moneys employed in the purchase and sale of bills of exchange.
By your weekly statement, referred to, it appears that your capital being $3,994,000, your investments and operations extend to $8,983,551 25.
The 13th paragraph of the 15th section of the same act, says: Two millions of the capital stock of the said bank, shall be appropriated to the sole purpose of being loaned upon notes or bonds secured by mortgages on immoveable property, to the satisfaction of the Board of Directors, &c.
It is my desire to ascertain whether two millions of your capital stock, are applied in conformity with the aforesaid mandate of the law. Your statement of the 1st of September, in which I remark the following items:

Loans on pledge of stock,	$100,94.-
Loans on Mortgages,	1,140,571 16
Other loans not payable within 90 days,	1,183,812 91
Paper payable within 90 days,	2,498,912 91

does not give satisfactory evidence of the fact.
It is desired that you inform the Board of Currency, whether the provisions of the law, which I have quoted, are now strictly carried into execution or if not, you are invited to lay before the Board of Currency the reason for which you thought yourselves authorized to pursue a different course.
Very Respectfully
Your Obd. Serv't.
(Signed) CHARLES GAYARRE,
Secretary of State.
DECEMBER 8th, 1851.—The Secretary of State, Charles Gayarre, proceeded this day, as member of the Board of Currency, and with the consent and authorization of his colleague, the Hon. George C. McWhorter, detained at Baton Rouge, on official business, to the examination of the following banks: The Louisiana Bank, the Louisiana State Bank, the Consolidated Association, the Citizens' Bank, the Union Bank, the Mechanics' and Traders' Bank and the Canal Bank.
Whilst at the Louisiana Bank, Mr. Gayarre having inquired of the cashier of that institution, why his communication, dated September 6th, had not as yet been answered, was informed by said cashier that the Board had been advised by the attorney of the bank not to answer in writing, but verbally; whereupon, Mr. Gayarre insisted upon a positive declaration, either in writing or verbally, whether the Board thought they had acted legally in those matters to which the attention of the Board had been called. The president of the bank then said that he would see the attorney of the bank and give the answer of the bank within two days.
Mr. Gayarre thinks that the bank, as shown by its statement of the 1st December, still continues to act in violation of the 9th section of its acts of incorporation, approved April 7th, 1824 and of the 13th paragraph of the 15th section of the same act, wherefore Mr Charles Gayarre calls the attention of his colleague to the facts and expresses his opinion that the Board of Currency ought to report them to the Attorney General.
(Signed,)
CHARLES GAYARRE.
Secretary of State.

DRY GOOD at REDUCED PRICES,
At No. 30 Chartres street.
BARRIERE LACAPERE & Co. being anxious to reduce their entire stock offer the same for sale, at reduced prices, the following goods, which must be sold to close consignments:
Linen and Printed Colored Mousseline de Laine
Rich Printed Mousseline de Laine Robes
Colored and Black Mousseline de Laine
Embroidered Mousseline de Laine, very low, at 62½
Mousseline, with satin border
Colored Mousseline de Laine, at 50
Rich Printed French Cashmere
24 Black Mousseline de Laine
24 Black Cashmere, for dresses
Black Bombazines, all qualities, very low.
Black Alpaca, some very fine.
Colored Printed Alpacas,
English Printed Cambrics
Also, a large assortment of Furnish Hose and Half Hose, for ladies, gents, misses and boys, at one-third cheaper.
Linen Sheetings, French, English and Germain.
Pillow Cottons
Irish Linens, unbleached
4-4 and 5-4 Damask Table Cloths
4-4 to 8-4 Damask Napkins to match
Linen Cambric Handkerchiefs, great variety.
Embroidered Linen Cambric Handkerchiefs.
Black Silk in great variety.
Plain colored Silks in great variety.
Florence, Mourning and Gros de Naples.
Figured Black and Colored Velvets.
Black and Fancy Cassimeres for coats, &c.
Black and Fancy Cassimeres for pants, &c.
Fresh Drugs and Medicines.
DISCHARGED from ship Lemuel Dyer, from Havre, a selected stock of FRESH DRUGS, MEDICINES AND CHEMICALS, which the subscriber offers for sale to his city and country friends, at low prices.
Amongst them may be found—
Dr. Kahn's Powder of pure opium,
Gum Dover and Paper all numbers,
Roger's Purgative Powder Calcined Magnesia,
Sulphate of Quinine, Zinc and Iron,
Sweet Almond Oil, a superior article,
Brant & Lamouroux's Pectoral Syrup,
Dr. Clarke's Pulmonary Compound Pills,
Balsamic Cod Liver Oil,
Single and double Trusses, for ruptures and infants
Cigars Lucrezias, against asthma
Pectoral Pastels, of all kinds,
Vallet's Peppermint Pills,
Lartigue's Pills, against the gout,
Moth's Capsules, with Balsam Copaiva, Castor Oil, and Cod Liver Oil,
Improved Aperients, all sizes and patterns,
Bougies and Catheters, gum elastic and metal,
Potato Flour, fresh and genuine
India rubber, metallic, and glass Pessaries.
E. F. SOUBIAN, Druggist,
oct27 corner Dauphin and Bienville sts.
VICTOR—No. 18 Chartres street.
BEGS leave to inform his old patrons in particular, in general, that he has just received by ship Gertrude, from Bell Lemoine Dyer and Music from Havre, a reasonable assortment, consisting as follows:
Linen Sheets and Towels, of all prices; Cotton and Pencil French Shirt; colored do; embroidered do.
Linen and Cotton Checks Linens, Stocks cotton do stripe do; Cashmere do.
Gloves—Jouvin's, Castor, colored and black silk, linen do; silk do.
SUSPENDERS—Of all kinds and prices.
CRAVATS—Grenadine; Royal 4-4, 6-4 and 8-4; do Jaconelle, do; embroidered satin; superior Umbrellas, silk and colors do.
Also, just received, a fine lot of China Ware, of all kinds, such as Vases, Chimneys, Ornaments, Inkstands, &c., surpassed by none in this city.
He also calls attention to his fine stock of Bronzes of all kinds.
As a hairdresser, he receives his Perfumery from the best stores of Paris.
He has a splendid lot of Children's Carriages.
—ALSO—
Two cases SILK HATS of the first quality and latest fashion.
Having received his stock very late, he offers the same at very reduced prices. 45
Boots, Shoes and Hats.
144 cases landing ex ship Bay State
Also, 3000 cases in store, comprising a general and complete assortment, suitable for city and country trade, for sale by
I. HOBBS & CO, (successor to R G Hobbs.)
oct9 66
BOOTS, SHOES AND BROGANS—Now landing from ship Rebecca and in store 1300 cases Boots, Shoes, Brogans, Hats suitable for the present and approaching season.
For sale by FIRST & CO.
oct21 No. 10 Magazine st.
FOR SALE by the subscribers, on easy terms—Brown and white linen sheetings; white, brown and fancy flannel drills, planter's linens and osnaburgs, all widths; Crocquillas; brown and bleached linen; brown Hollands towellings; diapers; huckabacks (linen) Kentucky jeans, solid check and imitation linen ginghams, 4-4 striped linen for upholsterers use; 6-4 do do for collaries and curtains, plain and check Hollands, tape checks, fancy printed muslins, blue cottonade, linen sheetings Irish linens.
oct21 tm H. BOYLE & CO., 67 Customhouse.
RECEIVED ex ship Augusta, from Liverpool—3 cases Leather; 4 bales Nettings.
oct6 BILLINGS & BROOKS, 126 Bourbon st.
LANDING ex ship Adrasta, from Bordeaux—50 bbls Red Wine, first quality, for sale by
oct30 PAUL LACROIX, 13 Toulouse st.
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