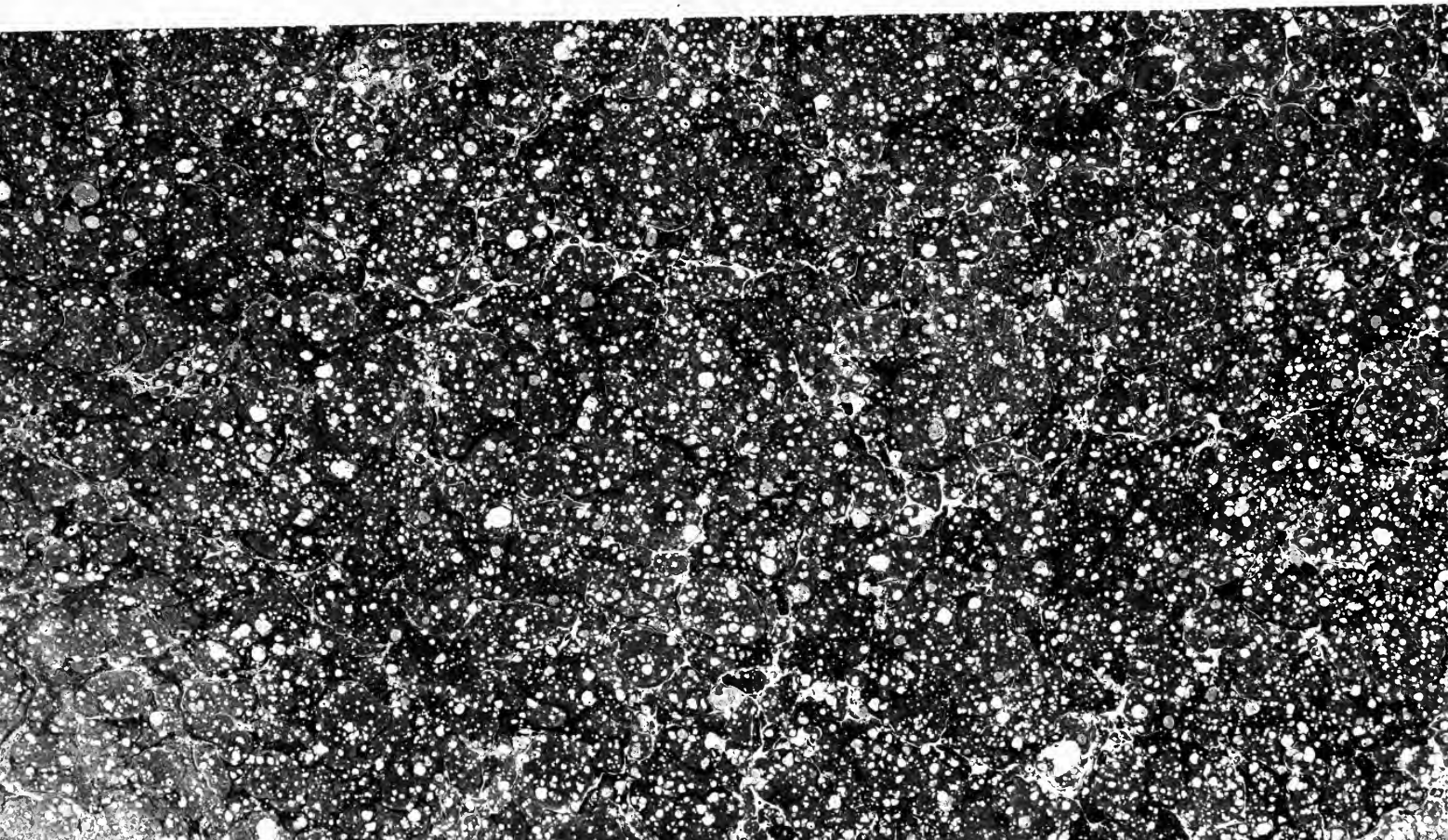

Pamphlets on finance

"

Contents

51ST CONGRESS, 2d Session. } SENATE. { MIS. DOC. No. 78.

IN THE SENATE OF THE UNITED STATES.

FEBRUARY 24, 1891.—Ordered to lie on the table and be printed.

Mr. WASHBURN presented the following

APPEAL TO THE SENATE FROM THE NATIONAL CONVENTION OF THE REPRESENTATIVES OF THE COMMERCIAL BODIES OF THE UNITED STATES, ON BEHALF OF HONEST INSOLVENTS, CONSUMERS, RETAILERS, WHOLESALERS, MANUFACTURERS, COMMERCIAL, INDUSTRIAL AND PROFESSIONAL BODIES AND THE PEOPLE AT LARGE, PRAYING FOR THE CONSIDERATION AND PASSAGE OF THE TORREY BANKRUPT BILL AT THE PRESENT SESSION, AND CALLING ATTENTION TO THE FACT THAT THE PEOPLE ARE IN FAVOR OF IT, AND THAT THE ONLY OPPOSITION OF MOMENT, OUTSIDE OF CONGRESS, IS FROM A FEW GREAT HOUSES WHO HAVE SELFISH INTERESTS IN OPPOSITION TO ITS ENACTMENT; WITH AN APPENDIX CONTAINING SPEECHES IN FAVOR OF BANKRUPTCY LEGISLATION, THE NAMES OF THE OFFICERS AND COMMITTEEMEN OF THE NATIONAL ORGANIZATION, THE BODIES WHICH HAVE INDORSED, AND THE CITIZENS WHO HAVE PETITIONED FOR THE ENACTMENT OF THE TORREY BANKRUPT BILL.

WASHINGTON, D. C., *February* 17, 1891.

TO THE HONORABLE THE SENATE OF THE UNITED STATES:

We, the undersigned, as the officers and chairmen of committees of the National Convention of the Representatives of the Commercial Bodies of the United States, on behalf of honest insolvents, consumers, retailers, wholesalers, manufacturers, commercial, industrial, and professional bodies, and the people at large, respectfully but earnestly appeal to you for the consideration of the Torrey bankrupt bill, which, if enacted, will make more secure the property rights of the whole people, and release hundreds of thousands of your honest fellow-citizens from their hopeless bondage of debt.

To the Senators who are favorable to bankruptcy legislation:

To the Senators who believe that the power conferred by the Constitution to enact laws upon the subject of uniform bankruptcies should be exercised, and that the Torrey bill is a wise embodiment of the laws contemplated, we appeal to stand steadfast in their convictions and to insist at all hazards upon the final enactment of that measure at this session. By so doing they will provide for the release from debts they

can never pay, of hundreds of thousands of honest, earnest men who have been the subjects of misfortune without their own fault; their release will restore them to the great army of men who conduct the commerce of the country, and enable them to better support their families and educate their children. The passage of that bill will lessen the perpetration of fraud, prevent commercial failures, make it possible for debtors who are hard pushed to have meetings with their creditors for the protection and advancement of their mutual interests, and in all respects substitute equitable dealings for selfish strife in reference to the transactions on credit by which the debtor and creditor classes are created.

To the Senators who are opposed to bankruptcy legislation:

To the Senators who are opponents of the proposed legislation we earnestly appeal for the consideration of the subject, because large numbers of their constituents have prayed for it, and all of their material interests will be promoted in the event the consideration shall be followed by the passage of the bill.

We are conscious that they can encompass the defeat of the measure at this session by postponement. We earnestly appeal to them not to do so, but to permit the bill to be voted upon, to the end that the commercial bodies of every State, the petitioners from every part of the country, the men who are interested in the subject, but who have remained silent, and those citizens who, by their depressed financial conditions and the toil incident thereto, are not fully advised of the movement in behalf of this legislation, or whose voices are too weak to be heard at the National Capitol, may know whether the Senate will or will not give heed to the earnest and repeated appeals which have been made in person and by petitions, resolutions, memorials, addresses, and letters in favor of this bill.

To the Senators who are favorable and those who are opposed to bankruptcy legislation:

To the Senators who are friendly and those who are opposed, we appeal for the immediate passage of the bill, and direct attention to the fact that the mainspring of action of every opponent outside of Congress of this legislation is selfish.

The only opposition of moment, so far as we know, to the enactment of this bill comes from or through a combination of a few great houses, headed by one which has most industriously opposed the legislation asked for by the people. It has attempted to arouse prejudices against the proposed law because of wrongs which were perpetrated under the bankrupt law of 1867. Every protest against this measure which has been filed at the present session, save about three, is on a printed blank, with copies of which this house has flooded the country.

Most of the great houses in every line have supported our cause in the belief that its success would lessen the perpetration of fraud and because they were willing to take equal chances with their competitors and accept reciprocal rights and responsibilities with the persons from whom they purchase and to whom they sell.

The members of the house referred to, and of the few other great houses in sympathy with it, have selfish interests in seeking to defeat the enactment of this bill, among them the following:

The bill prevents the giving and receiving of preferences; they in their own selfish interests wish the perpetuation of the present dissimilar provisions of the several State laws, as they are by the espion-

age exercised over their patrons, and the ability of their large corps of lawyers, enabled to secure preferences by voluntary means or compulsory processes and collect the whole amount due, or apply the whole of the debtor's estate to the payment of their claims, and then require the payment of the balance out of future earnings as a condition precedent to permitting them to use their names and enjoy all the rights of freemen in relation to property.

The bill is designed to enable honest insolvents to secure discharges from their indebtedness over and above the amount paid by their estates in dividends; they prefer to secure by compulsory process, if necessary, such parts of their claims as they can, and then pursue the debtors the rest of their lives to secure the balance if possible.

The bill makes it possible to have creditors' meetings when a debtor becomes pressed and needs the advice and assistance of his creditors both for his and their benefit; they are said to have private meetings with their debtors and their attorneys, and unless the debtors will secure their claims, irrespective of the rights of other creditors, levy under compulsory processes upon their property, no matter whether there are or are not grounds for their so doing.

The bill provides for arbitrations and compromises; they can afford to "bulldoze" their debtors and associated creditors who have less capital invested in business than they have, and enforce the acceptance of their dictatorial terms or block any form of adjustment, although it may be satisfactory to the debtor and all the other creditors.

The bill provides for the increase and maintenance of confidence between business men in different parts of the country, and will thereby enable customers who can buy now only from certain houses in near markets to buy in all accessible trade centers; the present imperfect State laws enable them in effect to own their debtors and force them to continue as their customers by preventing their competitors from selling to them for fear of being swindled.

In other words, the great house in question and others which pursue a like course do not want a law for the greatest good to the greatest number because they find it financially profitable to promote distrust, encourage strife, and have their business rights adjusted by a different set of laws every time a State line is crossed, instead of by the provisions of a uniform, equitable act, which provides for a quick and inexpensive administration of bankrupts' estates. They prefer to be judge, jury, and executioner of the rights of their debtors, instead of having them determined according to the provisions of a general and equitable law under which all persons will be treated alike.

The issue so far as the people are concerned is unmistakably between a few great houses in opposition to the bill and the mass of honest insolvents, consumers, retailers, wholesalers, manufacturers, commercial, industrial, and professional bodies, and the people at large in favor of the bill.

Politics are not involved in the issue. The subject of bankruptcy has not been contained in party platforms. All of the political parties contain many friends and a few opponents of the bill.

Sectionalism has not played any part in the discussions which have been engendered. The men who are dependent upon credit in their various callings irrespective of the places of their residence realize that one of the resultant effects of the enactment and enforcement of the bill will be to extend their credit, enlarge the number of sources from which they may derive credit, protect them from precipitate com-

pulsory processes, and avoid controversies between their creditors, which, irrespective of the result as between them, of necessity bring about the destruction of the debtors' property, the dissipation of their good will, and engulfment in debt, all of which could be avoided by substituting for the selfish rule by which preferences are given the equitable rule by which a pro rata distribution will be made to all creditors of the same class and the debtors be discharged.

The men who are the recipients of credit are also its dispensers, and in their capacities as such, without regard to the latitude or longitude of their habitations within this country, are desirous of having the rule of equality of all people of equal rights applied as a substitute for the rule of "might makes right," or "the end" (the collection of a debt) "justifies the means" (the commission of perjury in attachment and replevin suits by making false statements as to the grounds for such actions, the unnecessary destruction of property, and the dissipation of good will by the commencement of compulsory processes against honest, solvent, but temporarily embarrassed men in business).

There is no class controversy involved, as the leading men in all classes demand the recognition of the rule of the greatest good to the greatest number, and say that the passage of this bill will be a compliance with their demand.

The debtors and creditors of every section, of every shade of political conviction, and of every calling join in saying that this bill is comprehensive of their best interests, and the members of each class say that it is not inimical to them by giving greater rights than it ought to members of the other class. There is among the archives of Congress a very large number of expressions upon the subject of this bill, and yet there is not one by a debtor saying that he wants his rights enlarged or the creditors rights abridged, and not a single complaint from a creditor asking for additional safeguards for his property interests or remedies as against his debtor in addition to those provided. The conclusion is irresistible that the bill is a fair and absolutely just measure.

There does not prove to be an issue between the country and town folks in regard to this bill; both are desirous of enforcing the rules of common honesty and willing to live and act under the provisions of this measure, which will if enacted fully protect their rights and define their responsibilities.

It is the old familiar struggle of the people against organized, selfish capital in one of its many forms. The latter may temporarily be the victor, as it frequently is, but the former are ultimately bound to triumph, as they always do.

The men who conduct the commercial, industrial, and professional transactions of the country and the honest, unfortunate insolvents submit that their lives are measured by the same span as yours; that they have the same interest as you in the promotion of the welfare of the whole people; that their moral responsibility in relation to this measure is, by reason of their recommendation of it, the same as yours will be when you consider and vote upon it, and that their duties are the same as yours to their dependents, their fellow citizens, and their God. They speak to you, who enact legislation for the protection of the life, liberty, and property of the people; they do not ask aught for themselves which is not to be enjoyed by every citizen of our great country, but do ask for a law which shall inculcate morality by the prevention of fraud, enforce the rules of equity in the marshaling and distributing

of the assets of insolvents, and recognize the public policy which justifies the discharge of honest insolvents.

In view of all which the undersigned earnestly appeal to you to pass the Torrey bankrupt bill at the present session.

Respectfully submitted.

JAY L. TORREY,
President.
PETER NICHOLSON,
Treasurer.
JAMES T. WYMAN,
Secretary.
WM. E. SCHWEPPE,
Chairman of the Executive Committee.
LOWE EMERSON,
Chairman of the Congressional Committee.
BREEDLOVE SMITH,
Chairman of the Bankruptcy Literature Committee.
WM. T. BAKER,
Chairman of the Finance Committee.
JAS. O. BROADHEAD,
Chairman of the Presidential Committee.

APPENDIX.

CONTENTS.

ADDRESSES

OF THE

CHAIRMAN AND MEMBERS OF THE PRESIDENTIAL COMMITTEE OF THE NATIONAL CONVENTION OF COMMERCIAL BODIES IN LAYING BEFORE

HIS EXCELLENCY, BENJAMIN HARRISON,

PRESIDENT OF THE UNITED STATES,

THE TORREY BANKRUPT BILL,

AT THE WHITE HOUSE, ON MONDAY, NOVEMBER 18, 1889.

ADDRESS OF COL. JAMES O. BROADHEAD,

Chairman of the presidential committee of the National Convention of the Representatives of the Commercial Bodies of the United States, ex-president of the American Bar Association, ex-president of the National Bar Association, and ex-member of Congress.

Mr. PRESIDENT: We, as the presidential committee, have been intrusted with the pleasant duty of laying before you the labors of two national conventions of the representatives of commercial bodies, organized to formulate and secure the enactment by Congress of an equitable, uniform bankrupt law, and to respectfully petition you to recommend to Congress in your forthcoming message the enactment of such a law in the form adopted. We have come to-day from all parts of the United States to perform that duty.

The wisdom of the fathers of the Republic in vesting the Congress of the United States with the power to establish a "uniform system of bankruptcy throughout the United States" was never more manifest than it is at the present day. The commercial relations existing between the several States are more extended and more intimate than they ever were before; the facilities of transportation have served to multiply the products of agriculture and manufactures and increase the demand for the necessaries and luxuries of life, and the commercial activity of our people has therefore found a wider field for its exercise.

The most important effect of an equitable and permanent system of bankruptcy is to establish upon a firm basis the commercial interests of the country, to assure to those who deal in the products and manufactures of the various sections of our widely extended territory, as well as the producers and manufacturers themselves, that in dealing with their customers they will all be treated alike, that no local influences or local legislation will enable a debtor in failing circumstances to abuse the confidence which has been given him by a distant creditor, but that one law will govern all.

This assurance will extend and strengthen commerce, and afford, as I believe, the best safeguard against monetary crises such as have occurred from time to time, and from which all suffer in a greater or less degree.

Heretofore it has only been when one of those monetary revulsions came, and for a time paralyzed the trade and commerce of the country, that our national legislators were driven to the enactment of temporary bankrupt laws, and the result has been hasty and improvident legislation.

Now, that our country is blessed with a prosperity unsurpassed in its previous history, is the time in our judgment for calm, deliberate, and wise legislation on that subject.

The representatives of commercial bodies from various parts of the United States have held four national conventions, two at Washington in 1881 and 1884, respectively, and one at St. Louis and one at Minneapolis in 1889. These conventions have had the subject of bankruptcy

alone under consideration. As a result there has been adopted and recommended for enactment a measure named the Torrey bankrupt bill.

We submit a printed copy of this bill, in the belief that upon an examination of its provisions you will find that it meets many of the objections which have been made to former acts, and that under it bankruptcy proceedings will be less expensive and more expeditious, and that better safeguards are provided against mismanagement and fraud on the part of the officers who are charged with the settlement of bankrupt estates than under preceding similar laws.

Its provisions are briefly summarized as follows:

Original jurisdiction in bankruptcy matters is conferred upon United States district courts in the States and Territories, and the supreme court of the District of Columbia.

The referees, who take the place of the registers under the former law, are limited in number, in this, that there can not be more than one for each Congressional district within the territory of the bankrupt court. Their territorial jurisdiction is fixed and may be changed from time to time by the tribunal which appoints them, and the number of referees is limited to those before whom there are pending at least fifty bankruptcy cases. The court may order the transfer of cases from one referee to another. The compensation of the referee is to be fixed by the judge, but is not to exceed the sum of $1,000 per annum, and $10 for each case concluded before him, and actual and necessary expenses, all of which is to be paid out of the National Treasury. Referees are not paid the $10 fee due from the Government in each case until it is concluded and the papers are returned into the clerk's office.

The referees will hold the first and subsequent meetings of creditors and dispose of such matters in controversy as may arise at such places within their respective districts as will best serve the convenience of parties interested.

* * * * * * *

Trustees take the place of assignees, under the old law; they are nominated by the creditors at their first meeting. The trustees, under the direction of the court, may submit matters in controversy to arbitration, and the finding of the arbitrators will have the same force and effect as reports and findings of masters in chancery. In this respect it differs from the former law, both as to the mode of appointing arbitrators, their number, and the effect of their award. Matters in controversy may also be compromised or litigated. The trustees receive a fixed compensation, not to exceed a certain percentage upon the amount of money paid out in distributions to creditors. Trustees are not paid commissions, except upon dividends paid to creditors.

Litigation may be conducted in such State courts as will be most convenient to the parties interested.

Dividends to creditors may be declared at any time by order of the judge of the bankrupt court, and the referee is required to declare a dividend within thirty days after a claim is allowed, if the cash in hand in excess of the amount necessary to pay preferred debts, and in excess of claims which will probably be allowed, equals five per centum or more.

The petition of a bankrupt for a discharge must be filed after two and within six months after the adjudication of bankruptcy, unless it appear that he was unavoidably prevented from filing his petition for discharge within the six months, and then he may be permitted to file it within twelve months. Discharges will not be granted unless the applicants are honest men and have conducted their business accord-

ing to reputable business methods. A discharge may be set aside within two years after being granted if it shall transpire that the same was fraudulently obtained.

In cases of involuntary bankruptcy the proceedings may be instituted by three or more creditors whose demands equal or exceed $500. If the number of creditors is less than twelve, one or more creditors whose demands equal or exceed $500, may commence proceedings. The proceedings against the bankrupt must be instituted within six months after the commission of the act of bankruptcy in cases of involuntary bankruptcy. The acts of bankruptcy are more numerous and explicit than under any preceding act.

Any person owing debts to the amount of $500 may become a voluntary bankrupt, upon the surrender of all his assets for the benefit of his creditors.

A compromise may be offered by a bankrupt after he has filed his schedule of assets and list of creditors and been publicly examined as to the causes for his failure, the amount and whereabouts of his assets, and his dealings with his creditors and others. If an offer of compromise is for 50 per cent. or more, and is concurred in, in writing, by a majority of the creditors and the amount to be paid or securities to be given have been deposited, subject to the order of the court, all of the creditors will then be notified and at a time fixed by the court the question of the confirmation of the composition will be considered. A compromise may be set aside within 6 months after being confirmed if it shall transpire that the same was fraudulently obtained.

The bankrupt will be allowed the exemptions provided by the laws of the State in which he lives.

The criminal provisions of the bill are most stringent. The bankrupt may be imprisoned, with or without hard labor, for a period not to exceed 3 years, for fraudulent acts perpetrated before or after being adjudged as such, or for the destruction of evidence, or the wrongful removal of property. Bankruptcy officers may be punished by imprisonment for a period of not more than 2 years, or by a fine of not more than $5,000 for embezzlement or fraudulent appropriations of the estate. It is confidently anticipated that this provision will have a salutary preventive effect, and will stop, to a great degree, many fraudulent practices that are now openly perpetrated.

The costs of administration under this bill are more economical than it has heretofore been thought possible to make them. The clerk of the bandruptcy court is to receive a filing fee at the institution of every case of $10, and not to receive any further fees. Estates which pay dividends in excess of $5,000 will pay to the Government 1 per cent. on the total amount. One-half of 1 per cent. will be paid by all estates in which a composition is confirmed.

In its general scope the bill interferes but slightly with the laws of the several States, aside from those upon the subject of insolvency. Its machinery is comprehensive and yet simple. The safeguards with which it surrounds an estate are ample to prevent it from being lost or improperly appropriated. The provisions are most complete for a speedy distribution of the assets to the creditors. Expensive and tedious delays are most carefully guarded against, and on the whole it seems calculated as a proper substitute for the many incongruous and inefficient State insolvency laws, and promises to meet with the approval of the unfortunate debtor as well as the unfortunate creditor, and to prove a material aid in sustaining and fostering the commercial interests of the country.

These provisions of the bill submitted to you are referred to for the purpose of showing that the process of winding up the estate of a bankrupt is better guarded, more expeditious, and less expensive to the parties concerned than it has been under any former law, State or Federal.

We believe that this bill is just to the debtor and the creditor, that if adopted it will give a renewed stimulus to the trade and commerce of the country, that it will inspire confidence and extend credit where it is most needed, and that it will establish business of all kinds throughout the whole country upon a more enduring basis.

We, therefore, most earnestly petition you, in the name of the commercial interests of the country to recommend to Congress the enactment of a uniform, equitable bankrupt law in the form here presented.

ADDRESS OF MR. JOHN M. BARTLETT, OF MINNEAPOLIS.

Mr. PRESIDENT: After the able manner in which this great question has been presented I would not ask for further consideration, but that the constituency I in part represent, would expect me to assure you of their hearty coöperation in having enacted by the coming Congress a national bankruptcy law. The commercial bodies of the city of Minneapolis expect its members who are honored with a position on this committee, whose duty it is to acquaint you with the sentiments of the commercial interests of the country upon this question, to urge you to bring before Congress, in your forthcoming message, the necessity for the enactment of a uniform bankruptcy law; believing, as they do, that such a law would have a beneficial effect in harmonizing and adjusting that business confidence so essential to our commercial and national interests, which have for the past few years been perceptibly out of harmonious adjustment.

For three years last past, while Congress has been discussing a national bankruptcy law, the board of trade and chamber of commerce of the city of Minneapolis have been unreservedly committed as favoring the enactment of such a law and have unanimously declared in favor of the Torrey bill since its final revision at a meeting called for that purpose at Minneapolis, September 3 and 4, 1889, and represented by nearly all the leading commercial bodies in this country.

The National Board of Trade, at its recent meeting in Louisville, adopted a resolution favorable to the passage by Congress of the Torrey bankruptcy bill; this meeting, national in its character, must be considered as a fair representative of the needs of the people, and its opinion entitled to consideration as the superiority of the features embodied in that measure over those of any other previous bill or legislation upon the bankruptcy question.

The New York *Times* well says, in speaking of the Torrey bill—

> It is in substance a law to protect the honest merchant, to punish the dishonest merchant, and to provide for a prompt, equitable distribution of the assets of bankrupts at a minimum cost, and that it would be difficult to frame a definition of the legitimate ends of a national bankruptcy law that should be more comprehensive and more sound than this.

The necessity for a new bankruptcy law has induced many States to enact insolvency laws. It is no doubt true that such legislation by States is actually harmful to the commercial interests of the country.

Such legislation being confined to the limits of the State in which it is enacted renders uncertain and dangerous credits, which under a national law would secure to business that commerce between the States so essential to commercial prosperity, and one of the fundamental principles of our Constitution.

The claim is made, no doubt with some justice, that home creditors have preference in nearly all failures where settlements are made under State laws.

I believe I express the almost unanimous sentiment of the business men of this country when I assure you that a national bankruptcy law is demanded and expected at the earliest date that Congress can properly give that due consideration to the matter which its importance demands.

ADDRESS OF HON. LOUIS BUSH.

President of the New Orleans Board of Trade, Limited.

Mr. PRESIDENT: The Constitution of the United States confers on the Congress special power and authority "to establish uniform laws on the subject of bankruptcy throughout the United States."

This grant of power is one of many proofs of the wisdom of those who enacted that remarkable instrument. They doubtless foresaw the growth of the country in extent and in population, and in consequence considered the vast increase in business which such development must bring, and the magnitude to which would grow interstate and international intercourse and commerce. They undoubtedly realized that numerous and possibly conflicting and contradictory systems of insolvency in the several States might lead to grave inconvenience and serious loss, and they therefore provided this important and salutary clause.

The interstate interests of our country are so diversified and the commercial relations of the States so important and blended one with the other, that a general system of fair and equitable expeditious liquidation between debtor and creditor is indispensably necessary to avoid heavy losses and remove vexatious delays. In truth, our internal trade and commerce is the principal foundation upon which rests, and must continue to rest, our prosperity.

A law is, therefore, imperatively necessary within the scope of constitutional authority, to regulate these relations, that the debtor or creditor from every State may know that wherever his claim is asserted he is under the protection of a statute which guarantees his rights. Nay, it may even be truthfully said that such a law serves forcibly to unite more firmly the various States which form our compact of union; for, by its operations, we would be made to feel that we are not only citizens of the State of our residence, but that we are likewise citizens of the United States. Nothing, then, can be more proper than a general statute which is framed with such a comprehensive view to benefit the people of our country.

Since the repeal of the law of 1867, on bankruptcy, the entire mercantile community of our country has been relegated to some forty different systems of State insolvency, to the great detriment, it may well be said, of the honest creditor, as well as the injury, at times, of the unfortunate debtor. Such State systems are necessarily local in

character and jurisdiction. They can not bind the foreign creditor who declines to take a part in the proceedings. They can not discharge the honest debtor from the claims of foreign creditors, unless they choose to come in and be bound by the action of the State court.

Such local systems, then, are of little if any use in interstate and international commerce, by far the largest and most important business of our country. In fact, they frequently paralyze our commerce, and often have the effect of retarding the progress of important mercantile transactions.

We need, therefore, for the full protection of the honest creditor and the full relief of the honest and unfortunate debtor, a national system of bankruptcy, as contemplated by the Constitution, the enactment of which should be hastened, that our commercial expansion and advancement in the development of the resources of our country may not be hampered or retarded.

We should not be wedded to any particular methods in such a matter. They should be as simple, expeditious, and economical as possible; and, in this, it is respectfully submitted and urged that the Torrey bill, which has received the approval and recommendation of the national convention of the representatives of a great part of the commercial bodies of this country, meets the requirements of the situation, and should receive the favorable consideration of Congress.

To your especial attention, Mr. President, we ask leave to present this bill, and respectfully request that, if upon such investigation as the importance of the subject demands, you should deem it wise that it should receive legislative sanction, you should be pleased to place the subject before Congress in such form as will subserve the general interests of our people.

ADDRESS OF HON. JOHN H. DOYLE, OF TOLEDO, OHIO,

President of the National Bar Association.

Mr. PRESIDENT: I would select a period of the greatest commercial evenness and tranquillity in which to frame, discuss, and enact a law establishing a uniform and equitable system of bankruptcy. There is enough in the financial and business history of every people to give to the thoughtful legislator all the benefit of experience needful to direct his mind to the necessity of such a law, and the agencies to make it most effectual and beneficial. There is the closest analogy between the motives which prompt the wise man, in his days of average prosperity, to provide against the possible reverses which may come to him, and the enactment of laws which are to govern the whole body of men in their financial relations with each other and with government. Financial and commercial disturbances come into the history of nations at very unexpected times. The greatest preventive is commercial and financial honesty. Any law or system of laws that will aid in securing that ought certainly to be adopted. It would seem to be self-evident that laws which would so adjust the rights and remedies of parties that creditors would be unable, by combinations with their debtors, to secure unfair advantages; and debtors unable to make either unlawfal preferences or dishonest concealments; but would protect the rights of each, would tend as far as legislation ever can to promote such honesty, and that the framing of such a law could best be done when the temptation to make bad law to meet special cases of hardship did not exist.

I am not at all in accord, therefore, with the view so often urged, that because of existing commercial prosperity the needs of a bankrupt law are not immediate or pressing. Pressure and excitement are the worst adjuncts or motives to legislative action, and the poorest promoters of legislative wisdom. A bankrupt law should be so framed as to be neither an instrument of oppression in the hands of the creditor nor a place of refuge from honest demands for the debtor. It should preëminently be a system of equity, and should be considered and adopted in a purely judicial atmosphere and spirit. It should not be a forced product from any unnatural or abnormal condition of either great financial disaster, or the reverse. It should be uniform, not only as a question of territory, but also of time and circumstances.

Like all systems of equity, it should be enduring and of universal application. Its aim should be to prevent both fraud and oppression. It should require honesty and good faith, and when those exist it should relieve from undue hardship, inequitable forfeitures, and unmerited misfortune.

For these reasons I urge the attention of the President and Congress to the subject now. I will not go into a discussion of the merits of the system of bankruptcy. That would only be to repeat what has been so often said, and what must be familiar to all whose position or duty has led them to any consideration of the subject. Resolutions have been passed, quite generally, by the various trade organizations in my section of Ohio, declaring the belief that a proper law of this kind will enable honest bankrupts to be discharged from their burdens; honest creditors to realize the advantage of having estates quickly and economically administered; give confidence and security to the trade of the country, and remove the difficulty that is found in the divers insolvent laws of the States, in securing justice by an approach to speed and uniformity. State lines should be purely imaginary in the commerce and business of the country. The telegraph makes contracts of the greatest importance, between citizens of States most remote from each other, possible in a few minutes of time, and the great highways of travel and carriage are built and operated without reference to boundary lines, making prompt delivery and exchange of the commodities of the most distant places a daily affair.

Uniformity in the laws and remedies governing these transactions is the great need of the time. And how to secure it is now occupying the attention of many of the thinking men of the nation. While this may not be attained in the very near future so far as the laws governing the contracts themselves are concerned (those being matters largely within the control of the States), Congress has the power to give uniformity in the matter of the enforcement of claims arising out of them and uniformity in the tribunals in which they shall be enforced. This power exists in Congress alone. It is conferred upon it by the Constitution. Even if it were possible to obtain from the States uniform laws on the subject, so that the legislature of each State would enact the same statute, and no constitutional difficulties were encountered, there would, nevertheless, be the same conflict of construction by the State courts that we now find in the interpretation of other statutes of exactly similar language.

There is but one court of last resort to give construction to a national bankrupt law. It is therefore only by act of Congress that uniformity in enactment and uniformity in construction can be secured.

These are a few of the many reasons which present themselves to my mind for favoring the adoption of such a law and its deliberate

consideration now, in a time of comparative commercial quiet, when the judgment of Congress may be exercised in its provisions in a spirit of deliberation, and for suggesting the matter to the Executive, very respectfully and with diffidence, as a proper matter to call to the attention of Congress. I can not close without especially urging that any such law should be framed so as to accomplish two results, viz.: speed in its administration and the least expense to the parties consistent with its successful operation.

I have examined the Torrey bankrupt bill and approve of it. It seems to me to be plain, effective, and capable of speedy and economical administration.

ADDRESS OF DR. LEONARD J. GORDON,

President of the Board af Trade of Jersey City, New Jersey.

Mr. PRESIDENT: On behalf of the Board of Trade of Jersey City, New Jersey, I beg leave to submit some observations in favor of a national bankrupt law.

In a country like the United States, within whose limits is carried on an enormous commercial traffic, anything that secures a merchant against loss, total or partial, or acts as a preventive of fraud in commercial transactions, will so strengthen the feeling of confidence, so essential to extensive business, as to materially contribute to the stability of domestic commerce and the permanent prosperity of the business world.

In the extensive commerce of this country credit is a conspicuous and essential feature. Cash payments are the exception, credit is the rule. A merchant's capacity to do business therefore depends upon the credit and confidence he enjoys in the business world. The stronger his credit the greater his business. Increase of credit therefore is virtually an increase of capital. Thus it follows that whatever tends to strengthen or increase mercantile credit contributes directly to the growth of trade, and so by inevitable sequence to the general prosperity of the people.

Bearing in mind, then, the intimate relations between mercantile confidence and credit and the general welfare I call your attention briefly to one of the conditions in business which tends to impair confidence and hinders the growth of trade. I refer to the incongruous and inadequate insolvency laws of the different States of the Union. Every State has its own policy and system in the treatment of insolvents. Some are strict; some are loose; some practically offer a premium upon fraud; some are crude and inadequate to the exigencies of modern trade. The result is that every merchant whose business extends beyond the confines of his own State is compelled to take risks, the extent of which he is unable to estimate. If his debtor fail, he is compelled to take his chances under the law, perhaps of a distant State, the provisions of which are familiar to the bankrupt, and perhaps have afforded him an opportunity to place his assets beyond the reach of just claims. In another instance the assets of his debtor are whittled down by the expenses and charges incident to their management under a cumbersome and complicated insolvent law. All this is not only exasperating and harassing in business, but it operates directly to lessen the volume of trade.

Again, if we turn from the discussion of the practical difficulties of the present trade conditions, to the consideration of the theory and reason of the case, the need of uniform system in matters of insolvency will be no less apparent. States do not trade with States, but individuals trade with individuals. Individuals of one State trade with merchants of another, nay, of many States. Trade takes no account of State lines or political divisions. It is as boundless as the nation, and is limited only by the national confines of our country. Why, then, should matters vitally interwoven into the life of all trade be left to the shifting, varying, and conflicting policies of different States? Trade is national, and every consideration of logical consistency—the eternal fitness of things—requires that its regulation should be national.

These considerations demonstrate the need of a national bankrupt law. Such a law should be framed so as to embody the following features: (1) It should be practical, concise and comprehensive. (2) It should establish a uniform system of moderate salaries, instead of excessive fees. (3) It should make it impossible for a debtor to be discharged from his legal obligations without a complete disclosure of his condition and a full surrender of his assets. (4) It should forbid preferences, or surround them with such safeguards as to amply protect creditors. (5) It should be drawn so as to secure merchants against fraudulent mortgages, bills of sale, or confidential indebtedness to relatives or friends. (6) It should replace the conflicting and incongruous laws of the different States. (7) It should avoid the delays, unjust charges, and excessive fees of the old bankrupt law. It should, in short, be so framed as to allow proceedings in bankruptcy to be entered and prosecuted with the least possible delay and with a minimum of expense, and secure to the creditor the maximum percentage of his debt.

Such a measure, we believe, is the bill known as "the Torrey bill to establish a uniform system of bankruptcy throughout the United States." We believe it has been carefully drawn, with intelligent regard to the interests of all merchants, and that it is a practical embodiment of the valuable features of all insolvent laws. If enacted into a law we believe it would decrease failures, stop sacrifice sales, prevent fraudulent transfers and pocket judgments, stop the repudiation of honest debts, protect the honest merchant, assist the unfortunate bankrupt, create confidence, enlarge credit, and contribute materially to the growth and stability of trade.

We trust, therefore, that you may see your way clear to recommend this measure to the attention of Congress at the ensuing session.

ADDRESS OF MR. B. F. JOHNSON, OF RICHMOND, VIRGINIA.

Mr. PRESIDENT: We approach you in behalf of nearly all of the leading business organizations in this country to ask that you will embody in your next annual message to Congress suggestions of approval in regard to the passing of a law which we consider of vital importance to the great business interests of our country.

You, sir, in your professional capacity, have undoubtedly seen the injurious results flowing from defective and conflicting State laws for the collection of debts. These laws, while intended to be beneficial to the debtor class, are in fact frequently injurious to both debtor and cred-

itor; and consequently we feel the necessity of a national law that will protect the business interests of all the citizens of the United States regardless of location.

The last national bankrupt law was cumbersome and expensive, and very properly excited the disgust of those who were hampered by its burdensome and exacting conditions. A large number of our fellow-citizens, smarting under the injustice of that law, were loth to recommend the passage of another national bankrupt law; but as the business of each year is closed up the active business men of this country realize more and more strongly the necessity for a just and equitable national law that will protect alike the honest debtor and creditor.

The representatives of the largest and strongest bodies of business men, irrespective of politics or geographical lines, have met in several national conventions, and are now prepared to lay before Congress and strongly recommend the passage of an equitable law, known as the Torrey bankrupt bill. We can assure you that our wisest and most careful business men have approved this bill, which, if it could be passed substantially in its present shape by Congress, would prove a great boon to our business community; would strengthen confidence and extend and more firmly establish satisfactory business relations between all points of our common country.

We desire a law by which the man residing in Florida or California can do business with the same feeling of confidence and satisfaction in Maine or Texas that he could with business houses in his own State.

It is a well-known fact that in many of the States of our country the collection laws are very defective; that, instead of being a help and a strength to the members of the business community, they are constantly a temptation to the unscrupulous and dishonest to cheat and swindle.

We recognize the fact that human nature is weak at best, and, instead of countenancing or encouraging laws that will produce such an effect, we desire to establish such national laws and encourage the establishment of such State laws as will build men up morally and offer every incentive to them to conduct their business on the highest plane.

The provisions as set forth in this bill are such as to favor the honest and upright man who conducts his business on right principles, and to make it very difficult for those who are so inclined to deceive, cheat, or in any way defraud.

Besides its unwieldy proportions and unsatisfactory features, the old law enabled unscrupulous lawyers and greedy officials to charge exhorbitant fees. In some instances the expenses entirely dissipated the whole of small estates.

An examination of this bill to be introduced in Congress will show you that provision has been made to administer every estate in the most careful and economical manner. We feel, sir, that the passage of this law substantially in its present shape would be a triumph in the art of law-making of which this administration might justly be proud. It contains some important clauses and points not set forth in any bill previously considered by Congress.

We fully appreciate the fact that you have many duties of very great importance constantly pressing upon you; but, without egotism, we do think that in the consideration of this question you will find it of greater importance than any that is being agitated at the present day. We trust that after examining fully this bill you can conscientiously recommend it to Congress in such strong terms that the representatives of the people will realize fully the necessity of prompt action, and that

before the coming of the new year we may have this important law enacted, which will so greatly tend to strengthen and promote the general business interests of our country.

We do not wish to tax your time too severely in laying before you at great length the importance of this bill, the urgent necessity of which is doubtless already very apparent to you.

We beg leave to state that we are not pleading for personal interests; but that we come as the representatives of the great business interests of every State in the Union, and they through us utter, as with one voice, the great necessity for a just and equitable national bankrupt law.

As faithful and loyal citizens we trust that you will be divinely guided in the consideration of this, as of every important question, and wish that the blessings of heaven may rest upon you and those who are engaged in making and executing the laws of our land.

ADDRESS OF MR. WILLIAM J. McMANIGAL, OF OHIO.

Mr. PRESIDENT: I represent my own interests as an insolvent, and in speaking for myself am confident that I voice the sentiments of thousands of good citizens in this broad land who will be benefited personally by the enactment of an equitable uniform law. Benefited not to the detriment of anybody, but for their own good and the best interests of the community in which they live.

I was one of the unfortunate victims of the panic of 1873 and 1874. At that time I was somewhat extensively engaged in business in Pennsylvania, and, owing to circumstances which it is unnecessary for me to explain, I lost my entire property, real and personal, including my household goods. I did not claim my exemptions, but simply gave up to my creditors everything I had and was left penniless. My property was greatly sacrificed. At any other time it would have been sufficient to pay my debts, but at that time it was not, and as a result I was rendered insolvent and helpless to pay the balance of my indebtedness.

Soon after being impoverished by that panic I moved to Ohio, and since then have been supporting my family by working upon a salary, and am still so engaged. It is needless to say that the competition among men without means for positions which pay a salary is so great that salaries are not such as to enable a man to support a family and educate his children and at the same time make any headway as against an indebtedness upon which interest is accruing.

I have several times been offered the use of capital and an interest in a profitable business, which I confidently believe would have enabled me to regain my position in the mercantile world and to have saved enough to have eventually paid off my indebtedness; but the fact that this cloud of debt hung over me prevented an acceptance of the very considerate offers made.

I respectfully submit that the creditors of an insolvent man would not be financially harmed by his discharge, because the obligations of such a person are worthless, and if he is honest a discharge would enable him to endeavor, at least, to regain his position and to eventually liquidate his indebtedness. If he were inclined to ignore the obligations of his contracts and to follow the selfish instincts, the obligations are worthless anyhow, and hence I conclude that the discharge of an insolvent is of no practical detriment to the creditor, and that the re-

moval of his embarrassment of indebtedness gives him an opportunity, if he can, to avail himself of the lessons of past errors or to overcome misfortunes and to add to the material wealth of the community in which he lives.

Many of the best men in the country have been unfortunate in the investment of their capital, and as a result have become insolvents; but either by the discharge under the former bankrupt laws or by the voluntary release of creditors have been enabled to prosecute their life work and to again become useful and influential citizens.

I therefore respectfully submit that the wisdom of the discharge of honest insolvents is supported by the experiences of the past, dictates of public policy, and the humane policy of giving to every citizen an opportunity to work out his own destiny, and that the same is not in mitigation of the best interest of the creditor classes.

The Torrey bankrupt bill wisely provides, as I think, for the exemptions to the unfortunate debtor according to the laws of the State in which he lives. It is a part of civilization that the home of the unfortunate should be protected, and it is but embodying the wisdom of past legislation to have retained this provision in this measure.

As the representative of honest insolvents, I rejoice that the criminal provisions of this bill have been so framed as to draw a line between men who have become involved in misfortune without the perpetration of criminal acts and those whose misdeeds are directly responsible for their unfortunate position. It is one of the curses of poverty that those who suffer that affliction as the result of honest misfortunes are placed upon a level with those who have arrived at that position through their own dishonest acts. This measure visits condign punishment upon the latter class, while it grants to the former an honorable discharge and affords an opportunity for their again rising to the position which they are entitled to occupy.

As the self-appointed representative of the unfortunate honest insolvents of this country, who look to this administration and to the coming Congress for relief, I respectfully submit that a law which provides for the discharge of the honest insolvents, makes provisions for the reasonable exemptions for the head of a family, and provides an adequate punishment for dishonest debtors is a law that is satisfactory from our standpoint.

ADDRESS OF MR. EDWARD C. ROGERS,

President of the American Paper Manufacturers' Association of the United States.

Mr. PRESIDENT: It gives me great pleasure to come before you at this time in the interest of a great manufacturing industry. I come with representatives from other great commercial bodies to solicit your good offices, and to ask you to recommend to Congress in your forthcoming message the enactment of an equitable bankrupt law. Such a law would be a national blessing, and would bring to the business men of our country a measure of relief which they have sought for these many, many years. Some basis ought to be found where all the States of our Union can rest on common ground and feel that their interests are identical.

The paper manufacturing and jobbing interest of this country has long felt the need of such a law, and gladly will they join hands with

all other commercial interests, to the end that all may be done that can be to bring about such desirable legislation.

From our estimate of your character we know you would favor only what is just and right, and we ask for nothing else.

ADDRESS OF HON. WM. G. WHIPPLE,

Mayor of Little Rock, Arkansas.

Mr. PRESIDENT: While I recognize that there are some serious objections which can be reasonably urged to any bankrupt act, yet I am satisfied that a large majority of the business men in this section of the Union would favor a bankrupt bill substantially like the Torrey bill.

Among the many reasons which might be urged I will dwell upon only one, viz: the equality secured by that measure to all the creditors, the equal distribution of the assets of the estate, with certain classes of proper and worthy exceptions, thus regulated by law.

The practice of preferences which obtains in assignments in my own and other States, and which under the present system of State regulation may be authorized in every State, is almost criminally disastrous to the interests of the general average creditor. He is placed entirely in the power of his insolvent, or at least failing, debtor and left to his uncovenanted mercies. The creditor goes on delivering goods to his debtor, relying on his credit and expecting, and having a right to expect, fair and equitable treatment, having no means of insuring such treatment in case of a break up except through the favorable exercise of the power of the debtor, until the debtor gets ready to quit business, when he suddenly stops, makes an assignment under our law, and therein effectuates such a disposition of his assets as best comports with his sovereign will and pleasure, exercising this power in the form of preferences, which may, and usually do, absorb the entire estate, and leave nothing but blasted hopes to the large majority of the creditors. The debtor selects the favored objects of his bounty, pays them liberally and often in full, and gladdens their hearts. Of course, they are supposed to be honest debtors; sometimes they are not, often their debts are dishonestly swelled and padded, and it is but a poor consolation to the defrauded creditors to be assured that this is illegal, when the true state of the case can be, and so often is, buried beyond all chance of being unearthed.

And while this mockery of justice and fair dealing is going on the honest creditor goes away empty handed. This is not an assignment; it is downright robbery. And this is no fancy sketch, for this is what often actually happens under this State system of preferences, and which under such a system is really unavoidable. Of course, the intention of the law-giver is a good one. In allowing preference he is but copying the common law. But the objection lies to the real and unavoidable operation of such a law.

And there seems to be but one practicable mode of remedying this crying evil, and that is by Federal legislation, to be enforced by the Federal courts. Such legislation will operate over the whole country, be known to all, and bring about the very most desirable consequence when a merchant breaks down, and that is a fair and just apportionment of what property he has left. Such a law would permit a more satisfactory basis on which to do business and extend credit.

The vender would know better what to depend on, and a healthy influence would be brought to bear on the debtor merchant. He would be under less temptation to suspend his efforts to go on, and under a stronger inducement to put forth his every energy to keep on his feet and weather the storm, knowing that in case of failure his relatives, "his cousins and his aunts," could not be so readily protected, but would have to share the fortune of his other creditors.

The result, as is confidently believed, would be fewer failures and greater commercial energy and prosperity.

I have not exhausted this point, but probably have said all I ought to, for your time is precious.

I confine myself to the single point, and leave the many other considerations, perhaps equally cogent, to be urged by others.

BANKRUPTCY.

THREE ADDRESSES

OF

THE AUTHOR OF THE TORREY BANKRUPT BILL.

A CONSIDERATION OF THE PROVISIONS OF THE BILL, AT THE BANQUET OF THE BOSTON BOOT AND SHOE CLUB, BOSTON, NOVEMBER 20, 1889.

RESULTS THAT WILL BE OBTAINED BY BANKRUPTCY LEGISLATION, AS ANTICIPATED AT THE ANNUAL BANQUET OF THE ASSOCIATED WHOLESALE GROCERS, ST. LOUIS, DECEMBER 30, 1889.

A NATIONAL BANKRUPT LAW; CONSTITUTIONAL PROVISIONS; FORMER ACTS; THE POPULAR DEMAND, AND THE BILL AS OUTLINED BEFORE THE AMERICAN BANKERS' ASSOCIATION, SARATOGA, N. Y., SEPTEMBER 4, 1890.

A CONSIDERATION

OF THE PROVISIONS OF THE BANKRUPTCY BILL AT THE BANQUET OF THE BOSTON BOOT AND SHOE CLUB, NOVEMBER 20, 1889.

BY COL. JAY L. TORREY.

The Boston Boot and Shoe Club tendered a banquet at Young's Hotel, Boston, on the 20th of November, 1889, to Col. Jay L. Torrey, of St. Louis, the author of the Torrey bankrupt bill; Hon. George F. Hoar, United States Senator from Massachusetts; Hon. John Lowell, ex-United States circuit judge and author of the Lowell bill; Hon. Patrick A. Collins, ex-Congressman and the chairman of the last National Democratic Convention, and Hon. Henry Cabot Lodge, and Hon. John W. Candler, members of Congress.

Mr. Horace B. Parker, the toastmaster, in a complimentary speech introduced Colonel Torrey, who was greeted with applause, and spoke as follows:

Mr. PRESIDENT, GENTLEMEN: I beg to thank you for your very kind reception and to express my appreciation of the honor I enjoy in being your guest.

Mr. President, your considerate words of encouragement and compliment are applicable to my associates as well as to myself. We have labored assiduously, and believe that we will ultimately accomplish the end in view, but the possibility of such a result must be attributed, for the most part, to the earnest men with whom I am associated and the good cause that we together represent rather than to my individual merits or labors.

Four national conventions have been held since the repeal of the law of 1867. All of them have had for their object the securing of the enactment of an equitable bankrupt law. The last convention unanimously adopted a bill and considerately gave it my name. It has since been indorsed by the Associated Wholesale Grocers of St. Louis, the New York Board of Trade and Transportation, the Boston Merchants' Association, the Missouri Bar Association, the National Board of Trade, and other commercial bodies in all parts of the country, and the prospects are that in the near future it will receive the approval of all the commercial bodies in the entire country with the exception of a very few in number which have heretofore been opposed to the enactment of any law upon that subject.

The bill is divided into five chapters, the subjects of which are courts, officers, bankrupts, creditors, and estates. The chapters collectively contain 77 sections and there is a heading or catch-word to each section, which truly indicates its contents.

The United States district courts have original jurisdiction in bankruptcy. Litigation relating to the estate may be conducted in the State court most convenient to the parties litigant.

Controversies may be arbitrated, compromised, or litigated under the direction of the courts of bankruptcy.

But two offices are created by the act, the referee or assistant judge and the trustee or representative of the creditors in the handling of the property of the bankrupt.

The referees are to be appointed by the United States circuit courts. Their salaries will be $1,000 per annum, and $10 for each case after it is disposed of, and the records returned to court. They are bonded officers. They are precluded from purchasing directly or indirectly any of the assets of estates. The maximum number of referees is the number of Congressmen from the States. The minimum number is one for each judicial district, and such additional number as shall respectively have at least 50 cases pending before them continuously. Their territorial districts will be assigned to them by the court, and may be changed from time to time. They are authorized to dispatch such business as may be referred to them from time to time by the courts, and in the absence of the judges issue warrants for the arrest of bankrupts and seizure of their property, and to make adjudications in certain cases. All contested matters decided before them may, upon application, be certified into court and there be finally determined. They must furnish to parties in interest information, upon request, concerning estates which are pending before them. The records in each case are kept in separate books, in the same manner that records are now kept in United States courts, and when the cases are concluded, are returned into court and constitute a part of the records of the court.

The trustees are nominated at meetings of creditors and are appointed by the judges. They are to reduce the estates to cash and distribute them in dividends to the creditors as expeditiously as the best interests of the estates will permit. They are to give bonds. The cash in their hands is to be deposited in a bank designated by the courts. The banks must give bonds for the safe keeping of the funds. The trustees are to account for all moneys received, whether as principal or interest. They may be removed for cause and in the event of removal the courts may deprive them of all commissions from the estates. Their compensation is 5 per centum on dividends paid out to the amount of $5,000, 2 per centum on the next $5,000, and 1 per centum on all over $10,000. When there are successive trustees in a single estate but one commission will be paid to all who have acted. Information must be given by those officers to parties in interest upon application concerning estates being administered by them. Their accounts are open to the inspection of creditors. One or three trustees may be nominated for a single estate as the creditors may prefer. If three are nominated, they act by a majority and receive but the single compensation.

The expenses of administering estates must be reported in detail under oath, and shall not be allowed or paid until approved by the court.

A clerk's fee of $10 shall be paid upon the filing of every petition and shall constitute a payment in full of the clerk's fees for the case.

Estates which pay in dividends over $5,000 shall pay to the Government 1 per centum of the amount paid out. In case of compositions one-half of 1 per centum on the amount shall be paid to the Government.

Acts of bankruptcy, in brief, consist of concealment to avoid arrest, or the service of civil process; concealment of property to avoid its being levied upon; departure or absence with intent to defraud creditors; failure for 30 days to secure the release of property levied upon; a conveyance of property with intent to defraud creditors; a declaration of insolvency; an assignment for the benefit of creditors; procuring the entry of a judgment to defraud creditors; the return of an execution unsatisfied; suspension of the payment of commercial paper for 30 days; giving a preference while insolvent, or the speculation in options while insolvent.

Compositions may be offered before or after being adjudged a bank-

rupt, but not until there has been filed in court a schedule of assets and a list of creditors and until the debtor has been examined in open court or at a meeting of his creditors concerning the reasons for his failure, the amount and whereabouts of his assets, and his transactions with creditors and others for the preceding 6 months. If the offer is for 50 per centum or more it may be considered, after a majority of the creditors in number and amount have accepted it in writing and the amount to be paid or securities to be given have been brought into court. If the offer is for less than 50 per centum, at least three-fourths in number and amount of the creditors must accept in writing and the money or securities to be paid must be delivered to the court before the composition will be considered. When the conditions precedent to the consideration of a compromise have been complied with, the court will cause all creditors to be notified, and thereafter at a designated time will consider the proposition, and if it is for the best interests of all the creditors, and the bankrupt has not been guilty of an act which would bar his discharge, will confirm the composition. Compositions will be set aside within 6 months after being confirmed if it transpires that they were secured by fraud.

A discharge must be applied for after 2 and within 6 months after adjudication. If the bankrupt can convince the judge that he was unavoidably prevented from applying for his discharge within that time it may be applied for within the next 6 months, but can not be applied for after the expiration of that time; that is to say, 12 months after the adjudication. A discharge will not be granted if the bankrupt was a merchant, manufacturer, or trader, whose annual transactions exceeded $5,000 and failed to keep proper books of account from which his true condition might be known, committed any felony, committed perjury, failed to act in good faith concerning the administration of his estate, made a preference which has not been surrendered, made a false statement concerning his affairs, conspired to defeat the operations of the act, made a fraudulent transfer of his property, or neglected, without satisfactory excuse, any duty as a bankrupt. A discharge may be set aside within 2 years after being granted, if it transpires that the same was fraudulently obtained.

The exemptions of the bankrupt are such as are provided by the laws of the State in which he lives at the time of filing the petition.

Claims which have been proven in bankruptcy become judgments in the event the bankrupt is not discharged, and execution may be issued thereon in the same manner as upon judgments of courts after trial, hearing, and verdict.

The criminal provisions of the bill are very severe upon defaulting officers, fraudulent bankrupts, and dishonest creditors. The maximum punishment is a $5,000 fine and 3 years in the penitentiary at hard labor.

The first meeting of creditors is to be held after 10 and within 30 days after the adjudication at a place most convenient to the parties in interest. Subsequent meetings will be held as occasion may require. They may be held upon notice or upon written consent of the creditors. There will be a final meeting of the creditors when the estate has been administered and is ready to be wound up.

Notices will be sent to creditors of each step in the proceedings of administration of the estate, and at all times they will have an opportunity to be heard as to the advisability of proposed proceedings.

Claims are to be proven by the oath of the creditor or his representative; unless contested they will be allowed, as a matter of course, upon being filed.

Preferences are forbidden, and if given, the property or its value may be recovered by the trustee. If excessive fees have been paid to attorneys by the bankrupt, the sum in excess of a reasonable amount may be recovered

Securities held must be reduced to cash or the values thereof determined by agreement, arbitration, compromise, or litigation, and the amount credited upon claims before they can be proven.

Liens given for a present consideration and in good faith are upheld. Such as are given for the securing of preferences are forbidden and declared void.

The entire machinery of the bill is designed with particular reference to expediting business, *e. g.*, the clerk is paid upon the filing of the petition the entire amount that he is to receive for his services in the case. The referee is paid his fee per case only after it has been concluded and the records thereof have been returned to court. The trustee receives his per centum only upon dividends paid out. It is therefore manifestly to the interest of each of these officers to expedite the transaction of the administration of the estates in which they are interested.

The greatest economy will be practiced in the administration of the law. It is possible that the estate of a voluntary bankrupt may be administered upon the payment of the ten-dollar filing fee and the amount required for the publication of the notice.

In general, there are no unnecessary proceedings. Records are not duplicated. Fees are not multiplied. Officers are interested in expediting the administration of estates. Creditors are not inconvenienced, and are put to as little expense as possible. Deceit, chicanery, and sharp prac ice are prohibited. There is not the slightest opportunity for extravagance or jobbery of any kind. The bill is designed to enable honest men to do business upon an honorable basis and to put dishonest men in the penitentiaries. [Great applause.]

In the preparation of the bill we have earnestly endeavored to have every sentence in it clear and concise, to have the meaning thereof perfectly apparent upon a single reading, and have endeavored to prevent its being clouded or modified by other provisions of the bill. Where language has been used a second time, as for example, in the section enumerating the acts of bankruptcy, the section providing under what circumstances a discharge can be granted, and in the criminal provisions of the bill, the phrases used are identically the same, to the end that the construction of one would be the construction of the others, and to avoid, so far as possible, the confusion incident to an endeavor to convey the same idea by different language.

We are delighted and surprised by the unanimity of sentiment that seems to prevail throughout the country in behalf of the measure. We have received several hundred clippings from newspapers all over the country, and in every instance they seem favorable to the cause and in all respects, except two, favorable to our particular bill. One of the papers referred to it as identical to the old law, and suggested that a new law ought to be drafted. The editor has since read the document, and now urges the Senators and Representatives from his State to support it. The other expressed the opinion that a better bill than ours has been drafted. This is probably the most encouraging indorsement that any bill of similar importance has ever received. It leads us to hope that we will be able to secure the passage of the bill by the Fifty-first Congress.

The bill was, on the 18th instant, laid before the President of the United States by the Presidential Committee, of which Col. James O. Broadhead, of Missouri, an ex president of the American Bar Association and of the National Bar Association, is chairman. A series of able addresses by the chairman and members of that committee were delivered to the President, and in reply he delivered a short address, in which he referred to the desirability of the enactment of a permanent law upon that subject, instead of one designed simply to clear away wrecks after a catastrophe. It is not expected, of course, that he will recommend a particular measure, but it is earnestly hoped that he will call the attention of Congress to the fact that the members of the commercial world are, with a single voice, demanding legislation upon that subject.

The bankrupt law enacted in 1867 was a failure, not because the principles involved therein were of themselves wrong, but because it was not, in many instances, honestly administered, and under it wrongs were perpetrated which would not have been possible had the principles been accurately stated and properly protected. The pernicious fee system, which came gradually into vogue and assumed such proportions as to absorb estates, rendered the law unavailing and it was therefore repealed. This unfortunate ending of a law, which should have been properly amended instead of wrongfully amended, has made it difficult to secure the enactment of a new law.

Primarily a bankrupt law makes provision for taking possession of and distributing to the creditors the estates of insolvents and dishonest men, and then discharges, or withholds a discharge, from the bankrupt, conditioned upon whether he is an honest or a dishonest man.

There ought not to be objection, from the standpoint of an honest man, whether he be a debtor or a creditor, to having the estate of an insolvent man taken and divided between the persons entitled to it, because the obligation of such person was to pay, dollar for dollar, for the property which was acquired and which became part of the estate, and since his management or mismanagement has been such as to make a compliance with his contract impossible, it is but just that his creditors should be satisfied *pro rata* to the end that they shall not incur a greater loss. The same reasoning applies with greater force to the man who has agreed to pay for the property which has become a part of his estate, but who has been guilty of dishonesty which is likely to result in the dissipation of his estate.

I know of but two classes who are opposed to the foregoing view. They are, first, the men who believe, or seem to believe, as a pretext for opposition to the enactment of such a law, that it is not worth while to undertake further legislation upon the subject because the last law was a failure. Our friends say in reply, that it is the history of all laws that approximate perfection is only arrived at by experience, and the fact that the old law resulted in the enrichment of officers, rather than financial gain to the creditors, does not in the slightest degree affect or modify the business necessities for a carefully drawn measure which shall amply protect the interests of the debtor, and secure the rights of the creditor promptly and economically. We believe that our measure answers the demands of the honest men interested in the subject. We have the courage of our convictions and unbounded confidence that Congress will enact our bill. The second class is composed of influential corporations and firms who prefer to rely upon the principle that "might makes right" rather than the principle that "equality is equity." We beg to express our opinion to this class that it is not

profitable to them as a business proposition, and to respectfully suggest that the principle they invoke is one that is alike dangerous to the individual, to them in their business capacity, and to the body politic at large.

It is therefore respectfully submitted that neither of the grounds of opposition are tenable, and that the gentlemen who oppose the adoption of such a law ought to be in favor of its early enactment.

The fact that the several States have enacted insolvency laws is an unanswerable argument in behalf of the necessity of such laws. The fact that the right to abrogate the obligation of contracts and to pass uniform laws upon the subject of bankruptcy was reserved by the Constitution of the United States to Congress, prevents the s veral States from enacting complete laws upon the subject of insolvency. It therefore follows that the members of the commercial world can not secure efficient legislation except by Congress.

The proposition to discharge an honest bankrupt who has surrendered his assets for the benefit of his creditors, is supported by sound public policy, by the dictates of human sympathy for the unfortunate, and is, in my judgment, not in derogation of the practical rights of the creditor.

Sound public policy requires that every citizen should have a free and unrestricted opportunity to add to the wealth of the community to his full capacity. The one who has failed in business will have learned an invaluable lesson, either one of his want of capabilities, or one of how to avoid the errors which occasioned his failure. As a citizen he should be unrestricted as to what vocation in life he shall pursue. He ought to be, by his experience, a more valuable citizen and should be at liberty to prosecute such calling and in such way as will best serve his need of providing for his family and adding to the aggregate accumulation of wealth. If he is an honest man he ought to be discharged from the obligation to the end that he may be, if he can, a proprietor, instead of a salaried clerk. If he is held down by the burden of debt he is ordinarily forced into competition with the great army of day laborers and salaried workers and it is not possible that he can make any considerable payment of obligations and at the same time provide for the education and maintenance of the average family. If the purpose of the creditor in preventing the discharge is to secure the payment of the amounts due, I respectfully submit that it is unavailing. In an extended practice of the profession of law, covering a period of 15 years, I have never known of a man who has been able to pay off a large indebtedness out of such returns as could be secured in any clerical capacity. I have known of a number of instances in which honest men, who have been discharged from their obligations as bankrupts, have succeeded in recovering their position and in accumulating a sufficient amount of money by fortunate speculation to enable them to pay their debts, principal and interest, to their own delight and the gratification of their creditors.

My conclusion, therefore, is, that claims against insolvents, whose estates have been distributed in part to their creditors are worthless, and that the cancellation of them is no practical loss to the creditor, but, on the contrary, is advantageous to the individual debtor and to the community at large.

The struggle for the securing of preferences is pernicious, both as to the debtor and the creditor. I have known of frequent instances in which a nervous creditor began the exercise of a surveillance over the affairs of a suspected debtor, with the result of destroying his

confidence in the possibility of success and in alarming other creditors, and which in the end resulted in a man who was in effect solvent, and who under ordinary circumstances would have been able to continue in business, being totally annihilated in a financial sense simply by the watchful care incident to the possibility of securing preferences. I respectfully submit that the enactment of our law will have a conservative influence upon the course of creditors as against their debtors, and will provide an adequate remedy in the event of actual insolvency or wrong and prevent many men from being forced unnecessarily into bankruptcy.

We know that our cause is just, believe that it is the most important measure before the next Congress, have unbounded confidence in our ability to so present the matter as to secure favorable consideration, and are therefore prepared to continue the campaign until the title "Torrey bill" shall be superseded by one that is protected by a flag, backed by an army and navy, and which will in all respects command the respect of civilized people, that is, *a law of the United States.* [Applause.]

I hope and believe that the working of the law when enacted may prove a justification of your enthusiasm on this occasion. [Applause.]

RESULTS THAT WILL BE OBTAINED

BY BANKRUPTCY LEGISLATION, AS ANTICIPATED AT THE ANNUAL BANQUET OF THE ASSOCIATED WHOLESALE GROCERS OF ST. LOUIS, ON DECEMBER 30, 1889.

THE TWELFTH TOAST: ASSOCIATION ENTERPRISE.

RESPONSE BY COL. JAY L. TORREY.

Mr. PRESIDENT AND GENTLEMEN: The subject of enterprises is interesting, because it is hopeful; it is agreeable to speak of, because it involves a consideration of new and novel ideas. The promotion of enterprise is a work of progress, and promises rewards both in glory and accumulation.

This theme is particularly interesting in connection with this organization, because of the splendid achievements it has accomplished in the past and the promise which the future offers for carrying forward undertakings that will benefit, not its members alone, but also the community at large, and which will add to the material prosperity of the times in which we live.

The history of bodies, such as yours, usually conforms to the history of the individual man, manifesting, as a rule, the three stages of inefficient youth, buoyant manhood and decrepit old age. In this organization the rule finds its exception. At the first meeting of the men who were its organizers, it at once assumed all the vigor and strength of manhood. Up to date there are no indications that the organization will ever reach decrepit old age. I assert with confidence that so long as there is good-fellowship to be enjoyed, new business problems to be solved, and fresh enterprises to be advanced, this body will remain in the vigor and strength of manhood. It may be that as time passes the locks of the patriarchs will whiten, and that the burdens of the day will be borne by hands less calloused than theirs with labor, but for all time the influence of the trio of presidents, Messrs. Peter Nicholson, Joseph W. Goddard, and William E. Schweppe will be felt, their examples imitated, and the work that they have undertaken carried on. [Applause.]

Many, many works of enterprise have been initiated, prosecuted, and aided during the five short years of its organized existence. Among them I name the establishment and successful operation of the credit system; the reduction of freight rates from the seaboard; the arraignment of the railroads before the Interstate Commission; the modification of the contract system of selling certain classes of goods; the establishment of the Interstate Grocer; and your present movement to secure the enactment of a national bankrupt law. [Applause.]

Within a single year, and as the outgrowth of the banquet of last December, a national body has been organized which, in the interest of commerce, has formulated and recommended to Congress for enactment the Torrey bankrupt bill. The measure has been introduced in the House of Representatives and in the Senate, and the indications are that when we assemble a year from to-night your representative will be able to rehearse the details of the agitation which culminated in the bill becoming a law.

A bankrupt law was enacted as early as the years 1542–'43, in the thirty-fourth and thirty-fifth years of the reign of Henry VIII. This was strictly a proceeding in equity. The marginal note is in these words:

The chancellor, treasurer, etc., shall take order with bankrupts' bodies, lands, and goods for the payment of their debts.

The preamble of this act expresses, in quaint language, the causes which led to its enactment. It says:

Whereas divers and sundry persons craftily obtaining into their hands great substance of other men's goods do suddenly flee to parts unknown [something familiar about that. Laughter and applause] or keep their houses, not minding to pay or restore to any, their creditors, their debts and dues, but at their own wills and pleasures consume the substance obtained by craft of other men for their own pleasure and delicate living, against all reason, equity, and good conscience: Be it therefore enacted, etc. (5 Stat. at L., p. 132.)

By this act power was given to the Lord Chancellor and other officers of the crown, not only to take the body, lands, and goods of the bankrupt, but also to attach his debts and property of other kinds in the hands of other persons. If any aggrieved party should make complaint—

Knowing, specifying, or suspecting any of the "goods or debts of such offender to be in custody, use, occupying, keeping, or possession of any person, or that any person is so indebted to such offender," then the chancellor and other persons had power to "send for and *convent afore* them by such process, ways, or means as they should think convenient" the suspected persons and examine them in such ways and by such means "as the said lords by their discretions shall think meet and convenient, for and upon the specialty, certainty, true declaration, and knowledge" of such debts or goods being in their possession. If such person "upon such examination do not disclose, plainly declare and show the whole truth of such things as he or they shall be examined on," such persons forfeited double the value of the goods, etc., received or concealed by them, and the amount so forfeited was distributed among the creditors of the bankrupt *pro rata*.

The provisions against proving fictitious debts against the bankrupt's estate are in the following language:

If after such person or persons shall keep his or their houses or flee to parts unknown, as is aforesaid, any person or persons do fraudulently, by covin or collusion, claim or demand any debt, duty, or other thing by writing or otherwise, of any such offender or offenders, other than such as he or they can and do prove to be due by right and conscience in form aforesaid, and the same to proceed *bona fide* without fraud or covin, then every such person or persons so craftily demanding or claiming any such debt, duty, or other thing as is aforesaid shall forfeit and lose double as much as he or they shall so claim or demand.

If the bankrupt shall have "deceitfully, by covin or collusion, suffered or caused any other person or persons to recover against him or them any debts, goods, chattels, wares, or merchandises without just cause and title so to do, proceeding *bona fide* without fraud or covin," such goods so fraudulently recovered were to be delivered up to the just creditors of the bankrupt, and the fraudulent recovery can not be enforced against the bankrupt so long as there were any just debts unpaid. But after all the just debts should be paid then the party holding the fraudulent judgment could enforce it against the bankrupt, the language of the act being—

And nevertheless after that the said true debts and duties shall be fully satisfied and paid as is aforesaid, as well the body of the said offender as his lands, tenements, goods, and chattels shall be charged and liable to the execution of the said recovery (that is the fraudulent recovery) according to the tenor, force, and effect of the same.

If the bankrupt left the country, proclamation was made that he return within three months, and that—

If the said person within three months next after he shall have knowledge of such proclamation, or as soon after as he conveniently may, do not repair and yield his body as is aforesaid, that then the body of all and every such offender shall be judged, taken, and deemed to all intents and purposes out of the king's protection.

And all his property was to be distributed equally *pro rata* among his creditors.

Any third person who should "willingly help to aid, embezzle, or convey any such person or persons out of the realm and without the king's domain into any foreign realm or place, knowing the said person or persons to depart or withdraw themselves or convey their said goods, etc., for the cause and intents aforesaid" should suffer such punishment as the said lords should deem meet.

The act provided for equal distribution of the bankrupt's property, but expressly precluded the bankrupt from any discharge from his debts.

It seems, notwithstanding this act of Henry VIII, which made bankruptcy proceedings merely proceedings in equity, bankrupts increased, and need of a more stringent law was felt, for the act of 13 Elizabeth commences with this preamble:

Forasmuch as notwithstanding the statute made against bankrupts in the 14th year of our late sovereign lord, King Henry VIII, those kind of persons have and do still increase in great and excessive numbers, and are like more to do if some better provision be not made for the repression of them and for a plain declaration to be made and set forth who is and ought to be taken and deemed for a bankrupt; therefore be it enacted, etc.

The grounds of bankruptcy are then set forth as follows:

If any merchant or other person using or exercising the trade of merchandising, by way of bargaining, exchange, rechange, bartry, chevisance, or otherwise in gross or by retail; or seeking his or her trade or living by buying and selling; being subject born of this realm or any of the queen's dominions or denizen; sithence the first of the present Parliament, or at any time hereafter, shall depart the realm, or begin to keep his or her house or houses, or otherwise absent himself or herself; or take sanctuary; or suffer himself or herself willingly to be arrested for any debt or other thing grown or due for money delivered, ware sold, or any just or lawful cause or good consideration or purposes; hath or will suffer himself or herself to be outlawed, or yield him or herself to prison, or depart from his or her dwelling house or houses; or intend or purpose to depart or hinder his or her creditors.

In the fifth year of the reign of George I (1729) another act was passed which was extended by the act of 15 George II. This latter act contained some severe provisions. It seems that commissions had been issued against a number of persons who were bankrupts within the meaning of the act of George I, but who claimed that the writs were without force or effect against them because the act had expired. The act of George II, after reciting this fact in the preamble and also reciting that—

Whereas many persons have and do daily become bankrupts, not so much by reason of losses and inevitable misfortunes as to the intent to oblige their creditors to accept such their unjust proffers and composition and to defraud and hinder their creditors of their just debts;

selves within forty-two days after notice published in the London *Gazette* it went on to provide that if such persons did not surrender themand did not thereafter conform to the statutes they should be deemed guilty *of a felony*. This act, as well as that of George I, provided for an allowance to the bankrupt and for his discharge, and these were the first acts which provided in any way for the release of the bankrupt from his debts.

Other acts were passed from time to time. The last one was in 1883 and is now in force.

In the United States a bankrupt law has been in force from 1800 to 1801; another from 1841 to 1843; and the last from 1867 to 1878.

Large numbers of men, prominent by their business ability and who take a deep interest in the commercial well being of the country, have taken part in this agitation in behalf of a national bankrupt law for many good reasons.

It is apparent to the most casual observer that the insolvency laws of the separate States ought to be superseded by one harmonious, uniform national law. Under the Federal Constitution it is not possible for any State to discharge a bankrupt from debts due creditors in other States. He must still remain liable for the excess of his debts over the amount paid by his estate in dividends, since the States are forbidden to pass laws impairing the obligation of contracts. Congress alone can meet the demand for an equitable, uniform law.

Commercial credit will be promoted by the law which has been recommended by the national convention. It will give confidence to the men who handle the commerce of the country, and in so doing will enlarge the credit of every man engaged in trade and thereby increase the purchasing power of money.

The insolvents will be divided in two classes, honest and dishonest; the former will be discharged from their indebtedness, but not the latter.

The estates of persons who cannot or will not pay their debts will be taken charge of by and be distributed among the creditors.

The measure will give stability to financial transactions by engendering confidence and by doing away with the uncertainties which beget suspicion and breed trouble.

This measure will furnish a safe and equitable guide for the settlement of transactions which are now left unsettled by the varying rules of law in more than forty States.

Dishonest men will be prevented from outdoing their honest competitors by chicanery and fraud and in turn swindling their creditors.

Large concerns will be prevented from securing an assignment for their benefit from small debtors, and thereby collecting dollar for dollar of their indebtedness, while other creditors, of the same class, are prevented from collecting any part of their dues.

The unfair appropriation of assets through the instrumentality of judgments by confession and attachments by connivance can be set aside by honest creditors.

The estates of insolvents will be protected from the depredations of persons holding fraudulent claims.

Creditors will have ample opportunities to investigate the transactions of their debtors and to secure such part of the assets as they may be entitled to equitably.

The bankrupt and other persons may be examined under oath as to the whereabouts of assets and concerning all matters pertaining to the administration of the estate.

The prompt compromise by arbitration of controversies at small expense will be promoted as a substitute for prolonged, vexatious and expensive litigation.

Officers in charge of the estate of insolvents who embezzle, fraudulently appropriate, expend, or transfer such assets will be punished by fine and imprisonment.

This law will prevent the purchase of goods by persons who do not intend to pay for them.

Persons will be punished who obtain, on credit, goods from one person in order to pay their debts due to another.

Men who are in business, and who have obtained goods on credit, which have not been paid for, will be punished if they pledge, pawn, or dispose of such goods otherwise than in the ordinary course of business.

The secreting, concealing, removing, mutilating, or falsifying of books, deeds, writings, or documents relating to property, is declared to be a crime and will be punished by imprisonment.

Insolvents are forbidden to attempt to account for missing property by fictitious losses or expense.

A bankrupt will be imprisoned who conceals from his trustee any of the property belonging to his estate.

Heretofore dishonest men have so far imposed upon the confidence of the better classes; have so frequently taken advantage of the ineffectiveness of State laws by committing commercial wrongs; have engendered so much suspicion between the business men of different sections, that those who entertain the purpose of dealing fairly and living acceptably have, with one accord, demanded the legislation embodied in this measure at the hands of Congress.

The work thus far accomplished has been attended with great expense and is everywhere recognized as purely unselfish.

I am told that objection will be made to the enactment of a national uniform law by the lawyers in Congress who reside at a distance from the place of sitting of a United States court and who fear that by the enactment of such a law their business will be interfered with. The fear is not well founded. In the first place the law will give a conservative tone to the demands of creditors and, as a result, there will not be the same precipitate action that is now experienced. Under the present system the creditor, on the one hand, is suspicious that other creditors will attach the debtor, or that the debtor will make an assignment with preferences, and as a result is only too ready himself to attach. On the other hand, when the debtor realizes that preferences are out of the question and that an attachment will not prevail, or, at least, that bankruptcy proceedings may be instituted and thus render nugatory the advantage sought to be attained by an attachment, he will be more independent and cherish a greater degree of hope that he can pull through what may only be a temporary stringency. The result will be that commercial collections of the better class will increase rather than diminish. In the second place the law provides that the territorial jurisdiction of the several United States courts shall be divided, and that a referee shall be assigned to such territory, and that hearings may be had at the time and place most convenient to the parties in interest. More important still, controversies affecting the property of the estate may be litigated in the State courts and in the counties where the parties reside. I therefore conclude that the lawyers will be benefited instead of injured. Still, if it were true that the enactment of the law would decrease the collection business, I submit that this fact ought not to be urged against the desired legislation, since the credit of every client of every lawyer in the country will be strengthened and promoted and the good thus caused should outweigh the objection above stated.

There is every reason for confidence that the verdict of Congress will be in favor of a national law, in support of a national commerce, and

that the law which is the product of your enterprise will be the one selected as best calculated to answer the necessity.

You have occasion to be proud of your work thus far and to be satisfied with the outlook for the enactment of the bill. I confidently believe that ere long the people as a whole will be proud of the law and satisfied with its administration. [Applause.]

Through this agitation you, as the Associated Wholesale Grocers, have become known in every town and hamlet in the United States, to the members of Congress, and to the officials of the Government.

More good will be accomplished than has been anticipated if the national movement which you have inaugurated on the part of the commercial bodies is hereafter imitated where there is a national need to be supplied or a national wrong to be corrected.

The combined effort of the good men banded together in commercial bodies may not succeed in exterminating tendencies to do wrong on the part of individuals, but it will exercise a powerful influence against the commission of wrongful acts and in securing the swift and adequate punishment of wrongdoers. I sincerely hope that the time has come when united effort will be made for our individual good, for our collective good, and for the good of our Government. [Applause.]

A NATIONAL BANKRUPT LAW.

ADDRESS OF COL. JAY L. TORREY BEFORE THE AMERICAN BANKERS' ASSOCIATION, SARATOGA, SEPTEMBER 4, 1890.

Mr. President and Gentlemen: I shall speak to you upon the subject of a national bankrupt law under headings as follows: (1) The provisions of the Constitution relating to bankruptcy; (2) the laws of 1800, 1841, and 1867; (3) the present popular demand for the enactment of a bankrupt law; and (4) the Torrey bankrupt bill—(*a*) the form of the bill; (*b*) the courts and officers; (*c*) voluntary and involuntary bankruptcy; (*d*) acts of bankruptcy; (*e*) compositions; (*f*) liens; (*g*) the bankrupt's exemptions; (*h*) safeguards against the fraudulent concealment of property; (*i*) the penalties prescribed for wrongdoers; (*j*) the discharge of honest insolvents, and (*k*) economy and expedition in the administration of bankrupt estates.

(1) THE PROVISIONS OF THE CONSTITUTION RELATING TO BANKRUPTCY.

Mr. James Madison, in the introduction to the Madison State Papers, refers to the necessity for a provision in the Constitution upon the subject of bankruptcy as follows:

> Among the defects which had been seriously felt was a want of uniformity in cases requiring it, as laws of naturalization and bankruptcy, a coercive authority operating on individuals, and a guaranty of the internal tranquillity of the States.

When Article 16 of the Constitution was presented requiring that full faith and credit should be given to the acts of the legislatures and to judicial proceedings of each State Mr. Charles Pinckney, of South Carolina, moved to commit the article with the following proposition:

> To establish uniform laws upon the subject of bankruptcies and respecting the damage arising on the protest of foreign bills of exchange.

Mr. Gorham was for agreeing to the article and committing the proposition. Mr. Madison was for committing both.

On the question for committing article 16, with Mr. Pinckney's motion, representatives of the States voted as follows:

Connecticut, New York, Pennsylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina, and Georgia, aye (9). New Hampshire and Massachusetts, no (2).

Mr. Rutledge, from the committee to whom were referred sundry propositions together with Article 16, reported that additions be made to the report as follows: After the word "States," in the last line on the margin of the third page, add "to establish uniform laws upon the subject of bankruptcies."

When the clause in the report "to establish uniform laws upon the subject of bankruptcies" was taken up Mr. Roger Sherman observed that "bankruptcies were in some cases punishable with death, by the law of England, and he did not choose to grant a power by which that might be done here."

Mr. Gouverneur Morris said that this was an extensive and delicate subject; he would agree to it because he saw "no danger of abuse of the power by the Legislature of the United States."

On the question of agreeing to the clause, Connecticut alone voted in the negative.

The Committee on Style, etc., composed of Mr. Johnston, Mr. Hamilton, Mr. G. Morris, Mr. Madison, and Mr. King of the convention, divided the subject, and by its chairman reported the section as we now have it with the exception of a change of "an" for "a" as follows:

To establish an uniform rule of naturalization and uniform laws upon the subject of bankruptcies throughout the United States.

A very careful examination of Elliott's State Convention and Debates on the Federal Constitution, Story on the Constitution, Rawle on the Constitution, and the Constitutional Convention by Jameson fails to disclose any opposition to the granting to Congress the exclusive power to legislate upon the subject, either by the members of the convention or of the State legislatures, when submitted for ratification.

The wisdom of vesting the power in the Congress of the United States to enact uniform laws upon the subject of bankruptcies is apparent to the most casual student of governmental philosophy. Our forefathers doubtless foresaw that interstate commerce would assume great proportions as the nation progressed in its career, and realized that State laws upon the subject must of necessity prove inadequate to meet the demands of commerce.

(2) THE LAWS OF 1800, 1841, AND 1867.

Congress has exercised the power of enacting bankrupt laws but three times since the adoption of the Constitution. The first law was enacted in 1800 and was repealed a year later; the second was enacted in 1841 and was repealed during the second year thereafter; the last act was passed in 1867 and remained a statute 11 years. Each of the three laws mentioned was enacted to meet an emergency, and was repealed as soon as its purpose had been accomplished.

(3) THE PRESENT POPULAR DEMAND FOR THE ENACTMENT OF A BANKRUPT LAW.

The demand of the people for bankruptcy legislation at this time is not local nor from a particular class, but comes from all parts of the Union and from all classes of citizens.

There have been held four national conventions since the repeal of the bankruptcy law of 1867, and each of them has had for its sole object the securing of the enactment by Congress of a bankruptcy law which should grant relief to honest insolvents and be an impartial protection to the business interests of the whole country. The first and second of these conventions were held in Washington City in 1881 and 1884, respectively. The third was held in St. Louis during the spring of last year and the last one was held at Minneapolis last September.

Commercial bodies in all parts of the country have passed memorials and resolutions and citizens have signed petitions favoring the enactment of a bankrupt law, and representatives of those bodies have organized a national body for the sole purpose of securing bankruptcy legislation.

The bodies which have taken action in favor of the passage of the bankrupt law and the individuals who are members of the organization which has been formed to promote the agitation are summarized by States and Territories as follows:

[Revised February 27, 1891.]

	Bodies and petitions.	Officers and committeemen.		Bodies and petitions.	Officers and committeemen.
Alabama	1	7	Nebraska	18	3
Arkansas	9	8	Nevada	1	0
California	9	5	New Hampshire	3	0
Colorado	7	4	New Jersey	5	3
Connecticut	7	1	New Mexico	1	1
Delaware	1	1	New York	54	18
District of Columbia	2	0	North Carolina	4	2
Florida	3	3	North Dakota	2	3
Georgia	5	6	Ohio	40	25
Idaho	2	1	Oregon	8	4
Illinois	81	29	Pennsylvania	35	13
Indiana	11	7	Rhode Island	4	2
Indian Territory	1	0	South Carolina	2	2
Iowa	15	10	South Dakota	2	3
Kansas	15	4	Tennessee	10	4
Kentucky	6	12	Texas	28	8
Louisiana	11	10	Utah	0	1
Maine	10	1	Vermont	1	2
Maryland	5	4	Virginia	6	2
Masachusetts	50	11	Washington	3	1
Michigan	27	12	West Virginia	5	3
Minnesota	28	17	Wisconsin	15	9
Mississippi	7	5	Wyoming	1	0
Missouri	58	31			
Montana	1	1	Totals	619	299

The appeal to Congress for the enactment of this law occurs at a time of comparative calm and should be heeded, and a law should now be passed because at this time it is probable that the action of Congress will be a wise interpretation of the needs of all the people. If action should be delayed, it may unfortunately be the case that the national legislative body will be called upon to act in response to the selfish demand of a particular class who may need relief from the burdens of indebtedness brought about, not by their own inability, but by a public panic. There does not seem to be any reason at this time why a bill can not be passed which is just in all its provisions to the debtors, the creditors, and the Government.

The merchants of the country, in so far as they purchase commodities upon time are debtors, and in so far as they sell commodities upon time are creditors, and for the most part constitute the debtor and creditor classes of the country; in their dual capacity of debtors and creditors, they are interested in holding the scales evenly between these two classes. As they are taking the chief part in the agitation designed to secure the enactment of this measure, it goes without saying that strenuous efforts have been made in behalf of the formulation and presentation of a perfectly fair law.

If Congress had, upon its organization, passed an acceptable uniform bankrupt law, and from time to time amended it, to meet the ever progressive conditions of commerce, not a single one of the State insolvent laws would have ever have been formulated or enacted.

The State legislatures have enacted bankruptcy or insolvency laws because the people demanded them, and the Congress of the United States would not heed their demands. The State legislatures could not

enact complete laws, because of the restrictions in the Federal Constitution as to the obligation of contracts, and because of the reservation to Congress, in explicit terms, of the power to enact such laws. The States are not to be censured, but commended, in coming to the relief of their citizens so far as they can.

The laws enacted by the States are each, of necessity, defective, and in the aggregate they are incongruous and contradictory. To the practitioner they are productive of a large income; to the wearer of judicial ermine their enforcement involves intellectual gymnastics, and to the business man they are of great annoyance and expense. The very existence of insolvency laws, as a part of the codes of the several States, is a solemn protest against the policy of inaction on the part of Congress, and constitutes an unanswerable argument in favor of the enactment of a uniform bankrupt law.

Congress is derelict in the exercise of but a single power reserved to it by the Constitution, and that is the power to enact uniform laws upon the subject of bankruptcies. *The people have demanded* that this power shall be exercised, and they confidently anticipate that the demand will be complied with by the present Congress.

(4) THE TORREY BANKRUPT BILL.

(*a*) *The form of the bill.*

The bill as originally drafted and as passed by the House of Representatives is analytically arranged by being divided into five chapters and the chapters into sections. Each chapter is devoted to a subject and each section to an idea. Every section has a catch-word or title expressive of what it contains. (*See birds-eye index at the close of this address.*)

(*b*) *The courts and officers.*

The district courts of the United States have original jurisdiction in bankruptcy proceedings.

The section of the bill relating to suits against bankrupts' estates and those brought by trustees to enforce the rights of bankrupts' estates as reported by the Committee on the Judiciary of the Senate is as follows:

> Suits by the trustee shall be brought in the courts where the bankrupt might have brought the same if he had been entitled to recover therein. Suits to recover property in the possession of the trustee, including suits for the foreclosure of mortgages upon real estate, shall be brought in the court having jurisdiction thereof if they had been brought against the bankrupt. Suits for the establishment of liens against the personal property of the bankrupt, or the fund in the possession of the trustee, shall be brought in the district court of the United States where the proceedings in bankruptcy are pending.

The offices created are but two. They are the referee, or assistant judge, and the trustee to represent the creditor.

The referee is to be appointed in the States by the United States circuit courts at a time when there are two judges upon the bench, one of whom is the district judge, and in the Territories and the District of Columbia by the supreme courts. He may be removed by the same tribunal for cause, or because his services are not needed, or by reason of the fact that the number of cases pending before him his fallen to below fifty. This officer is not to be related within the third degree of consanguinity or by marriage to the judge. He will be paid by the Gov-

ernment a salary of not to exceed $1,000 and $10 per case administered before him, when actually concluded, and his actual and necessary office expenses.

The trustee will be appointed by the creditors and perform his duties under the direction of the court. He will give bonds. All moneys must be deposited in a designated depository, and all amounts must be paid out by check or draft.

The compensation to the trustee will be a commission not upon the income or outgo of the estate but on the dividends actually paid to the creditors. The amount will be 5 per centum on the first $5,000, 2 per centum on the second $5,000, and 1 per centum on additional amounts.

(c) Voluntary and involuntary bankruptcy.

The distinction between voluntary and involuntary bankruptcy relates only and solely to who files the petition. The right and duties of a person who files his own petition and of the person against whom a petition is filed by his creditors are identical. There is no difference between the creditors. Their rights and the method of exercising them are identically the same.

It has been suggested by some thoughtless friends of the poor man that a voluntary system without the involuntary features would operate in the interest of that class.

In view of the reciprocal nature of transactions, pursuant to which the debtor and creditor classes are created, it seems as though there ought to be no discussion as to the desirability of a law, if we are to have one, which should provide equitably for the rights of both classes. It is said by the gentlemen who support a voluntary system of bankruptcy only, that while they are willing that the unfortunate poor man may release himself from the burden of his debts, they are unwilling to make it possible for the creditors to take the initiative as against a dishonest or failing debtor.

I do not see how the voluntary system could be provided for without, at the same time, working a very great hardship as against the creditor class. For example, this bill provides that enforced liens, created within 4 months of the time of the institution of the proceedings, shall be set aside, and that preferences which have been given within that time may be recovered by the trustee. If it were simply attempted to provide by law for a voluntary system, under like circumstances the debtor would simply wait until the expiration of such 4 months before filing the petition, and as a result the creditors and trustees acting in their behalf would be helpless to prevent the perpetration of open and glaring wrongs.

One of the greatest evils which the proposed legislation is intended to remedy is that of securing preferences by instituting attachment proceedings by connivance, in such manner that it can not be detected, with the result of enabling favored creditors to receive the full amount due them, and in many instances to prevent large parts of the estate being carried away by friends and relatives pursuant to proceedings founded upon fraudulent claims. I do not think that these wrongs can be remedied except by the provisions of an involuntary system pursuant to which every bankrupt will be required to make a complete showing as to his transactions, and a complete surrender of all of his assets to be divided ratably among his creditors.

The advocates of the voluntary system, as it seems to me, are anxious to curry favor with the poor debtors. I think, if they are per-

mitted to enact such a law, that they will prove to have been the debtors' worst enemies, because the enactment of such a law would unquestionably result in a contraction of credits and the debtor would thereby be the sufferer.

Legislation in behalf of commerce which tends to enforce legitimate mercantile transactions, and require of every member of the commercial world fair dealing, and prevent trickery and punish fraud in all its forms, tends directly to the extension of the credit system, gives to every honest man an opportunity to do business under the most advantageous circumstances, reduces the rate of interest upon money borrowed, and in every way promotes the welfare of the honest man, discourages the entrance of dishonest men into the field as competitors, and in all respects tends to the betterment of the condition of the members of society.

It is a matter of great interest to our commercial classes to consider what effect the passage of a voluntary bankrupt act without the involuntary features would have upon the commercial credit and standing of our merchants in the markets of the country. In other words, if unusual advantages were granted to our debtor classes how would their brethren of the creditor classes, both in our own and other States, view the subject?

In general terms the greater the collateral or the more valuable the security, the greater the credit extended on account thereof and the less the interest paid. For example, if a person wishes to borrow a sum of money and offers United States bonds as collateral security, or unincumbered real estate of many times the value of the amount sought to be borrowed, he will have no difficulty in securing a prompt loan at a low rate of interest. The reason is, of course, that in the event the money is not returned it can be surely and promptly collected by a sale of the property upon which a loan has been created. The same thing is true in another form, in this, that if a merchant of steady habits, good character, and large resources in property applies for credit, he has no difficulty in obtaining it in large amounts and in purchasing goods at a low figure; while his less fortunate brother, whose character is unknown, or is unfortunately bad, and who has little or no property, is not able to secure credit except in a limited degree, and can not purchase goods except on short time at high prices.

It might be possible by legislation to so increase the rights of the debtor class, or the borrower of money, and to dwarf the rights of the creditor in realizing upon indebtedness as to really depreciate the value of United States bonds as collateral and unincumbered real estate as a pledge for money loans. The same might be true as to the merchant of good character and ample means. All citizens will agree that any such legislation would be to the manifest detriment of the debtor classes, to say nothing of the moral effect it would produce upon the community.

I respectfully submit that the results as above outlined will be obtained by the passage of a law which will enable the debtor to deliberately prepare to enter into bankruptcy without the possibility of having his preparations interfered with by the institution of involuntary proceedings; and hence that the enactment of such a law ought to be avoided in behalf of the debtor classes with the same persistence that opposition would be urged to, say, the repeal of all laws for the collection of debts.

The friends of the debtor will note a number of safeguards which have been included in the present bill for his protection, as follows:

Under the present laws a single creditor, irrespective of the amount of his claim, may institute proceedings which will probably be the forerunner of other proceedings, while if the bankrupt law be enacted it will require three creditors whose aggregate claims exceed $500, over and above securities held, to file the petition, unless there are less than twelve creditors in number, in which event one creditor may file the petition provided his claim is, in excess of securities held, equal to or over $500.

Under the present insolvency laws in every case in which the creditors, or any considerable portion of them, resort to compulsory process, the debtor is at once at a disadvantage; his property is taken from him and in lieu thereof there is, in most of the States, executed a bond which is presumably good at the time of its execution, but which may be worthless by the time the question of his right to recover thereon is finally determined. The debtor must always confront the possibility of having his property seized, separated and sold at sacrifice sales, not that he has committed or contemplates the commission of any fraud, but simply because of a panic among his creditors and the inevitable scramble for precedence. The fact that liens have been acquired by compulsory process by the most diligent of the creditors is ordinarily sufficient to prevent the possibility of a compromise by which the debtor would be enabled to preserve the good will of his business and to continue it.

Under circumstances such as these with this bill in force a composition might be effected without delay and upon favorable terms without the institution of bankruptcy proceedings, because of the possibility of the institution of such proceedings and of the impossibility of seizure by individual creditors, and in the event it should become necessary to secure an adjudication, the debtor would be entitled to the exemptions provided by the laws of his own State, and, in general terms, if an honest man, would be able to secure his discharge.

The creditor in the present chaotic state of the laws not only has to watch the debtor, but the other creditors as well. He has not only to fear a failure on the part of his customer, but must confront the possibility of the giving of a preference by the debtor, the acquiring of a compulsory lien by his competitor, or the entire disappearance or conversion of the property on the faith of which he based his extension of credit. If the law under discussion be enacted the equitable rule of distribution will be enforced, and all of the evils, those that are real and those that are imaginary, will be avoided.

The men of affairs in this country do not want any one-sided law. There is no demand for any such law from any source. The demands which have been presented have been for the bill as it stands.

The masses of the people of this country are honest, they love equality and insist on an equitable adjustment of differences in every relation of life.

(*d*) *Acts of bankruptcy.*

The amended section as reported by the Committee on the Judiciary of the Senate defines acts of bankruptcy as follows:

Any person shall be adjudged a bankrupt if he has within 6 months prior to the filing of a petition in bankruptcy against him (1) concealed himself to avoid arrest under, or the service of, civil process; (2) departed or remained away from his residence or place of business with intent to defraud or delay his creditors; (3) procured, or allowed to remain for 40 days, any attachment of his property upon mesne process with intent to give a preference thereby, or, being insolvent, in having suffered judgment to be rendered against him; (4) made a conveyance, gift, or transfer of all, or any part, of his assets with intent to defraud or delay his creditors; (5) made a written

declaration of his inability to pay his debts and filed it in court; (6) made an assignment for the benefit of his creditors; (7) procured or suffered a judgment to be entered against himself with intent to defraud or delay his creditors; (8) secreted his assets to avoid their being levied upon or attached under legal process against him; (9) suffered an execution against him to be returned *nulla bona;* (10) suspended and not resumed payment of his commercial paper for 30 days; (11) voluntarily petitioned to be adjudged a bankrupt; (12) while insolvent for the purpose of giving a preference made a conveyance, mortgage, or pledge of any of his property or suffered any of his property to be taken or levied upon by process of law or otherwise, or permitted the creation of any lien on any of his property; or (13) while insolvent made a contract or contracts personally or by agent or broker for the purchase or sale of a commodity or commodities with an intention not to receive or deliver the same, but merely to receive or pay a difference between the contract and the market price thereof at a time subsequent to the making of such contract or contracts; or (14) who within 3 months next prior to the filing of the petition against him has obtained credit by knowingly making a false statement or representation involving his financial condition, property, or ability to pay.

(*e*) *Compositions.*

Practitioners, as well as litigants, will remember that the old law provided that after the institution of proceedings the defendant could offer terms of composition before he had made a showing as to the amount or the whereabouts of his assets, and without any regulations as to the terms upon which the same should be offered, or provisions as to payment in the event the same was accepted and confirmed. It was a practice for the debtor to test the credulity of his creditors by offering terms, apparently favorable to the creditors, and if the same were promptly accepted to withdraw his proposition under some pretext or other, and then offer other terms less favorable to the creditors and so on, as long as the creditors were patient and the process bid fair to be profitable.

The present bill contains a clause upon the subject of composition by which the debtor who is honest and desires to compromise his indebtedness will be enabled to do so readily and quickly, while on the other hand the creditor will have ample assurance that he is not being imposed upon, because he must be provided by the debtor with the schedule of assets and the list of liabilities. The bankrupt and other persons having knowledge of his assets must be examined in open court or at a meeting of the creditors before the composition will be considered. The money to be paid or the securities to be given must be deposited with the court before the confirmation will be considered. If it is confirmed the money or securities will be paid or delivered to the creditors as directed by the court. At the hearing the composition will be confirmed if the court shall be satisfied that it will be for the best interests of the parties concerned, and that the debtor has not been guilty of any of the acts which would prevent a discharge. If it is a case in which fraud or dishonesty has been practiced, or if the court is satisfied that the composition will not be for the best interests of all the creditors, the composition will not be confirmed and the case will be proceeded with in bankruptcy. If it transpires after the confirmation of a composition that the same was obtained by the practice of fraud or the commission of perjury it may be set aside at any time within 6 months after the confirmation.

(*f*) *Liens.*

The Committee on the Judiciary of the Senate reported an amended section upon liens as follows:

Rights, remedies, liens, defenses, and estoppels, legal or equitable, which would have been available to any creditor whose claim is provable under this act, had no bankruptcy proceedings been instituted, shall be available to the trustee to the extent of such right, remedy, lien, defense, and estoppel for the benefit of the estate.

A lien created by or obtained in or pursuant to any suit or proceeding at law or in equity, including an attachment upon mesne process or a judgment by confession, which was begun against a person within 4 months before the filing of a petition in bankruptcy by or against such person, shall be dissolved by the adjudication of such person to be a bankrupt; or if the dissolution of such lien would militate against the best interests of the estate of such person the same shall not be dissolved, but the trustee of such person, for the benefit of the estate, shall be subrogated to the rights of the holder of such lien and empowered to perfect and enforce the same in his own name with like force and effect as such holder might have done had not bankruptcy proceedings intervened. If any such lien shall have been realized upon, the amount shall be paid to the trustee by the officer or beneficiary, less the amount of the taxable costs in favor of the creditors and officers in such suit or proceedings incurred in good faith.

Liens which were given by the bankrupt prior to the filing of the petition, in good faith and not in contemplation of or in fraud upon this act, and for a present consideration, which have been recorded according to law, if record thereof was necessary in order to impart notice, shall not be affected by this act.

(*g*) *The bankrupts' exemptions.*

The bill as introduced in Congress provided that the bankrupt should be entitled to such exemptions as were provided for by the laws of his State in force at the time of the filing of the petition. It was not amended by the Committee on the Judiciary of the House, was not referred to in the debate in the House, and has not been amended by the Committee on the Judiciary in the Senate.

Many friends of bankruptcy legislation think that we ought to have an exemption law the same in every State, but there seem to be insurmountable objections to such a law. Investigation shows that the new States have uniformly started out with very large exemptions, and that they have been gradually reduced as the States became older. There are a number of reasons why this should be so. The exemptions vouchsafed to a poor man are not intended primarily for his individual protection, but for the protection of his family. In a new State the items which go to make up the modest wants of a household are more expensive than in the older and better settled States. It is probable that the new States are inhabited in the beginning by a large number of individuals who have migrated for the purpose of getting a new start, and who are anxious not to be interfered with by creditors from their former homes, and this feeling has had its effect upon the legislative bodies, and as a result large exemptions have been provided.

What would be our position if we attempted to fix an exemption of the same amount in all the States of the Union? A Congressman would not be justified, from a political standpoint, in voting to reduce the exemptions in his State by the enactment of a national law. If a law were presented providing for exemptions satisfactory in amount to the Congressmen from, say, Illinois, I imagine that the amount provided would not be large enough to satisfy those from the newer States, while, on the other hand, it would be too large to secure the approval of the representatives of the older States. As to the practical side of the proposition, therefore, I believe that it is impossible to agree upon uniform exemptions. For the reason stated, ordinary exemptions should be larger in the newer States. It would be inequitable and unjust to the honest poor man who is the head of a family in one of the new States, where the necessities of life are much dearer than in the older States, to have only those exemptions which are allowed in the older States; and, on the other hand, it would be a great injustice to the creditor classes to allow, in the older States, the large exemptions to the debtor which are absolutely required in the newer States.

I therefore conclude, as a practical proposition, that it is not feasible to pass a law providing for an exemption of the same money value, or consisting of the same articles, in all of the States; as an equitable proposition, while such a section might sound as though absolute uniformity had been obtained, still the difference in the purchasing power of money and the value of identical articles in different parts of the country would constitute quite as great a variation from uniformity as would be experienced under the several State exemption laws.

(*h*) *Safeguards against the fraudulent concealment of property.*

Under the present order of things men too frequently get rich by failing. The proposed law is designed to prevent a dishonest man and his property parting before bankruptcy and meeting after the creditors have been fooled, the proceedings ended, and a discharge procured. A person against whom a petition has been filed either by himself or other persons, is required to file a schedule of assets and a list of creditors. To err in the making out of these papers in a substantial respect either by omission or by the insertion of untruths is declared to be a penitentiary offense. This seems to be all that can be done to secure a truthful showing from the prospective bankrupt. To the end that these statements may be probed, and if untrue, that the facts may be shown, it is provided that the bankrupt and all other persons having knowledge of his affairs may be examined on oath, either in court or before a designated officer. The commission of perjury in such examinations is in like manner a penitentiary offense. It does not seem possible that more could be done in the direction of looking for the facts in the case.

The trustee or representative of the creditors is vested with the title to the property of the person against whom proceedings have been begun as of the date of the institution of the proceedings, and is vested with all the rights enjoyed by judgment creditors in relation to the setting aside of fraudulent conveyances. The trustee is thereby clothed with ample authority to recover all property in which the bankrupt had an interest at the time the proceedings were begun. It does not seem possible to do more under the form of law than this provision includes in the direction of securing to the creditors the property to which they are entitled. The trustee can, without limit of time except as provided by the statute of limitations in the several States, pursue the property of the bankrupt wherever it may be found.

If we knew of additional safeguards against the fraudulent concealment of assets we would be glad to insert them.

(*i*) *The penalties prescribed for wrongdoers.*

The penalties of imprisonment for not to exceed 2 years and fines of not to exceed $5,000 are prescribed in the bill for the wrongdoing of officers.

It is certainly the part of wisdom to exact at the hands of officers who are exercising important trusts, as provided in this bill, a strict performance of their duties and to provide severe penalties in order to prevent wrongdoing, and to punish such officers as shall be guilty of the forbidden acts.

There are two sections of the bill which relate to the anticipated wrongdoing of the bankrupt. The one relates to acts committed before the filing of the petition, and the other to acts committed after it. The

penalty in each case is imprisonment for a period not to exceed 3 years.

The bill has been criticised because of the above provisions; I submit in reply that honesty is the best policy and that it ought to be enforced as against bankrupts as well as other persons, and it is not a defensible position to say that a person, within six months prior to the filing of the petition shall not be punished if he willfully, and with intent to defraud his creditors, commits perjury concerning his property or acts, or obtains on credit property with intent not to pay for it; obtains on credit property from one person with the intent to prefer another creditor; disposes of his property, which was obtained on credit and has not been paid for, otherwise than in the ordinary course of business; makes away with any of his property to prevent its being administered in bankruptcy, or secretes or makes away with his books or documents relating to his property.

I do not think for the same reasons that it is defensible to say that the bankrupt shall not be punished if, after the filing of the petition, he willfully, and with intent to defraud his creditors, attempts to account for any of his property by fictitious losses or expenses; conceals from his trustee any of his property; in case of the proof of false or fictitious debts against his estate fails to disclose the same within 1 month after being possessed of such knowledge; makes any false oath concerning his property or acts in any proceeding in bankruptcy; makes any payment or gives any advantage, or the written promise of either, to any creditor, with intent to affect the proceedings under this act; makes any substantially false valuation of his property in his schedule of assets, or omits from his schedule of assets any of his property; omits from the list of his creditors any person to whom he is indebted in any substantial amount, or includes any person to whom he is not indebted, or lists a creditor for an amount substantially more than the true indebtedness, or makes away with or falsifies any of his books or documents relating to his property.

It is respectfully submitted that the acts here enumerated and the perpetration of which is forbidden, will not be perpetrated by honest men, and that if they are perpetrated by dishonest men, such perpetrators ought to be punished.

I am conscious that there are large numbers of the members of the mercantile world who now practice many of the acts here forbidden, and consider it an evidence of shrewdness to do so; such practices are morally wrong. They are commercially wrong, are detrimental to the proper conducting of business, and are besides calculated to decrease rather than to increase the volume of commercial transactions.

I therefore respectfully submit that the enactment of these statutes will have a deterrent effect upon such wrongdoers, and that good morals and good business will be promoted thereby.

The bill imposes penalties of imprisonment for not to exceed 3 years, or fine not to exceed $2,000, or both, upon creditors for wrongdoing.

All of us ought, in my judgment, to agree that these provisions are required to guard against imposition by the holders of fraudulent claims, and that class of creditors who in times past have felt justified in "padding" their claims to the end that the per centum realized might equal the principal of their *bona fide* claims.

It is respectfully submitted that the foregoing provisions require at the hands of the bankruptcy officers, the bankrupt, and the creditors, only such conduct as becomes honest men, and that their enactment and enforcement will prevent the recurrence of the scandals which arose out of the administration of the old law.

It is anticipated that the prospect of being deprived of the advantages of fraudulent mercantile transactions, with the possibility of a term in the penitentiary, will well-nigh exterminate the fraudulent mercantile adventurers who have for years been thriving in all parts of the country.

It is unfortunate but nevertheless true that there are many men able and competent to conduct business upon a large scale, whose moral perceptions are so obtuse that it is necessary to forbid the enactment of wrongful practices and to fix a penalty for the perpetration of the same in order to prevent them from practicing frauds and deceptions, which are demoralizing in a moral sense and destructive of property rights in a business sense.

There is no question but that the passage of this bill will exercise a desirable moral influence in the prevention of commercial wrongs which are now openly perpetrated but which are forbidden in this measure. For example, it is now considered smart practice by many men to spirit away property, falsify books, destroy records, and to purchase goods upon credit, convert them into cash and leave to the creditor nothing but the poor consolation of attaching the remnant of goods and garnishing debtors who owe accounts which are worthless.

There is a thoughtless class of opponents to the enactment of a bankruptcy law who suggest that the possibility of securing a discharge will beget a reckless disposition upon the part of the debtor, and that he will be likely to take speculative chances in cases where he would not do so under the present conditions. I respectfully submit that the point is not well taken, and that the effect would be quite the reverse. Under the laws of most of the States there is no legal objection to the purchase of goods on credit and to their sale outside of the ordinary course of business. An act of this kind under the proposed law might result in the application of the debtor's assets to the payment of his debts *pro rata* and in his serving a term in the penitentiary. It is competent for a debtor in failing circumstances in almost any of the States to purchase goods on credit and apply them to the payment of the debts of a favored creditor, by some one of the many forms of preferences, that is, by a conveyance direct, by the giving of a chattel mortgage or lien, by a confession of judgment, or by an attachment connivance. A similar act, under the provision of this bill to which I have referred, would subject the individual in question to a term in the penitentiary, while the act pursuant to which a fraudulent preference was given would be annulled, if it occurred within a period of 4 months preceding the date of the adjudication, and the property would be restored to the estate.

There is no adequate provision in the laws of any of the States, so far as I am advised, by which the bankrupt can be compelled to show the reason of his failure, the whereabouts of his assets, or the nature of antecedent transactions. It is here provided not only that the bankrupt may be examined, but that any person having knowledge of his affairs may be examined touching transactions of interest to the creditors.

In most of the States the assignee of the debtor can not attack any of the transactions or conveyances of his assignor because he stands as his representative; but it is especially provided in this measure not only that the assignee may do so, but that it is his duty to attack all proceedings which are forbidden by the act pursuant to which property was transferred by the assignor.

Under the provisions of the law now in force, the honest and the dishonest insolvents are all in one class. The conditions will be different

upon the enactment of this bill; under its provisions the honest insolvent will be awarded his discharge and will have an opportunity to exercise his capabilities, whatever they are, without let or hindrance, while the dishonest insolvent will be punished for his infractions of the law.

Fire insurance rates are based upon statistics as to the number of accidental fires, and allowance is made for the work of the incendiary. Business risks are based on the losses incident to the ordinary vicissitudes of trade with a per centum added for acts of dishonesty. The consumers have to pay the per centum which is added. If the laws are so confused or so inadequate in their provisions that dishonesty runs rampant, the per centum will be very large; if a law shall be enacted which shall reduce acts of dishonesty and the losses incident thereto to the minimum, the consumer will not have to pay the larger per centum.

The arrest of the bankrupt to prevent his departure from the district within the first 6 months after the adjudication is in the interest of the proper administration of the estate. The arrest is only to be made after the application has been made to the court, and it has been judicially determined that he is about to depart from the district, and that his departure will interfere with the proper and advantageous administration of the estate. The bankrupt will be brought forthwith before the court upon being arrested.

If the bankrupt has escaped to another district he may be brought back in the same manner, and upon the same terms, as if he were an individual who had committed a criminal offense under the laws of the United States and had been indicted.

We do not want too many penalties, but we must have a sufficient number to prevent the law from being used, metaphorically speaking, as a fire escape down which scoundrels may climb to the highway of financial safety after having thrown their assets out of the window into the hands of a trusted accomplice.

Under the old law, prosecutions for violation of the act and the perpetration of commercial wrongs which were forbidden were few and far between. It is possible, under the provisions of this bill, to make the violations of it very unpopular, and to visit swift and adequate punishment upon such persons as do violate its provisions.

It is a well-worn saying that "competition is the life of trade." This should be modified so as to be applicable only to honest competition. Dishonest competition is the death of legitimate trade, and where dishonest competition is practiced to any large extent the result can not be other than to drive from the field of legitimate trade the honest men, and to surrender the affairs of commerce to the dishonest men.

One of the worst forms of competition that our legitimate merchants have to contend with is that of the individual who buys goods upon credit, with the intent not to pay for them, disposes of them at sacrifice sales, and then swindles his creditors. This law can have no better or more praiseworthy purpose than to prevent such species of robbery.

(*j*) *The discharge of honest insolvents.*

A discharge in bankruptcy in order to be granted must be applied for after 2 and within 6 months following adjudication. If the bankrupt fails therein and can convince the judge that he was unavoidably prevented from applying for his discharge within that time it may be applied for within the next 6 months, but can not be granted upon an application made after the expiration of 12 months after the adjudica-

tion. A discharge will not be granted if the bankrupt was a merchant, manufacturer, or trader, whose annual transactions exceeded $5,000, and who failed to keep proper books of account, from which his true condition might be known, or who has committed any felony or perjury, failed to act in good faith concerning the administration of his estate, made a preference which has not been surrendered, knowingly made a materially false statement concerning his affairs to any person for the purpose of obtaining credit or of being communicated to the trade, conspired to defeat the operation of the act, made a fraudulent transfer of his property, or neglected, without satisfactory excuse, any duty as a bankrupt.

A discharge may be set aside within 2 years after being granted, if it transpires that the same was fraudulently obtained.

The proposition to discharge an honest bankrupt is supported by sound public policy and the dictates of human sympathy for the unfortunate, and is not in practical derogation of the material rights of the creditor.

Sound public policy requires that every citizen should have a free and unrestricted opportunity to add to the wealth of the community to his full capacity. The one who has failed in business has learned an invaluable lesson, either the one of his want of capabilities, or the one of how to avoid the errors which occasioned his failure. As a citizen he should be unrestricted as to what vocation in life he shall pursue. He ought to be, by his experience, a more valuable citizen, and should be at liberty to prosecute such calling and in such way as will best serve his necessities and enable him to add to the aggregate accumulation of wealth. As an honest man he ought to be discharged from his obligations to the end that he may become, if he can, a proprietor instead of a salaried clerk. If he is held down by the burden of debt he is ordinarily forced into competition with the great army of day laborers and salaried workers and it is not possible that he can make any considerable payment of obligations and at the same time provide for the education and maintenance of the average family. If the purpose of the creditor in preventing the discharge of the bankrupt is to secure the payment of the amount due, I respectfully submit that it is unavailing. It is not likely that a man will be able to pay off a large indebtedness, out of such returns as could be secured in any clerical capacity, but there are instances in which honest men, who have been discharged from their obligations as bankrupts, have succeeded in recovering their position and in accumulating a sufficient amount of money by fortunate enterprises to enable them to pay their debts, principal and interest, to their own delight, and to the gratification of their creditors.

Mr. Clay, during the debate prior to the passage of the law of 1841, made in the Senate of the United States an eloquent appeal in behalf of honest insolvents, as follows:

Mr. President, power and duty are often synonymous. The possession of the exclusive power to pass laws on the subject of bankruptcies by the General Government, draws after it a high and responsible obligation and duty to the States, to the Union, and to the people, the performance of which that Government is not at liberty to elude or neglect.

The right of the State (I use the term in its broadest sense) to the use of the unimpaired faculties of its citizens as producers, as consumers, and as defenders of the commonwealth, is paramount to any rights or relations which can be created between citizens and citizens. But an honest and unfortunate debtor borne down by a hopeless mass of debt, from beneath which he can never rise, is prostrated and paralyzed and rendered utterly incapable of performing his duties to his family or his country, to say nothing of the dictates of humanity, nothing of the duties of a

parental government to lift up the depressed, to heal the wounds, and cheer and encourage the unhappy man who sees in the past, without his fault, nothing but ruin and embarrassment, and, in the future, nothing but gloom and dispair. I maintain that the public right of the State, in all the faculties of its members, moral and physical, is paramount to any supposed rights which appertain to a private creditor. This is the great principle which lies at the bottom of all bankrupt laws, and it is this which gives to the States the right to demand the passage, and imposes upon Congress the duty of enacting a bankrupt system.

The number of bankrupts now in the United States has been estimated, by respectable authority, as high as 500,000, and, with their families and connections, the total number of all who are interested in the passage of a bankrupt system has been stated as large as 2,000,000.

I hope and believe that this is an exaggerated estimate. But the number is undoubtedly very great, be it what it may; and it comprehends many of our most active, enterprising, and intelligent citizens. Who can think of them without the liveliest sympathy in their present hopeless condition, without being irresistibly prompted to exercise all the powers with which we are constitutionally invested, to raise them up from the depths of despair in which they lie, and bring them back to the enjoyment of life, the support of their families, and the service of their country.

The Declaration of American Independence, which announced our existence as a nation, solemnly proclaims, as a self-evident truth, that the right of every individual person to life, liberty, and the pursuit of happiness is unalienable. Does the wretched bankrupt, sunk down and overwhelmed by perhaps unmerited misfortunes, against which no human foresight or prudence could guard, enjoy the benefit of this maxim? He is not, indeed, deprived of life; but he drags out a miserable and lingering existence, without one cheering hope. The humanity of progressive civilization has exempted his person from incarceration in the dark cells of a public jail; but the liberty which is granted to him enables him only to see more distinctly, in the light of heaven, and intensely to feel the misery of his condition. Stripped of all motives to human exertion, with the incubus of an immovable mass of debt upon him, surrounded by a family, sharing, without being able to alleviate, his sorrows and sufferings, he is mocked by the privilege of "the pursuit of happiness," pronounced to be unalienable in the most memorable declaration of human rights that was ever promulgated to the world. Let us, sir, make that guaranty substantial, practical, available, by fulfilling the duty imposed upon us in the power delegated in the Constitution to pass this law.

Commerce is but legitimate speculation, and experience teaches that a very large percentage of its votaries are sooner or later overcome by its vicissitudes, and must either be relieved by a wise exercise of the rights guaranteed by the Constitution or be left beneath an unsurmountable burden of indebtedness.

There is a large class of good people who believe in the iron rule that if the individual can not pay his debts he should owe them, but the great mass of human beings realize that many debts are unjust, that many of the financial responsibilities which are incurred by the individual are not foreseen or anticipated, and believe that it is better policy to discharge the honest unfortunate and thereby give him a hope for the regaining of his financial position in the world, and the better enable him to provide for those who are dependent upon him, and they are therefore willing that this wise provision of the law should be exercised under proper restrictions.

All civilized governments grant exemptions to poor men. It is of course upon the theory that the helpless ones of every family should be protected, both for their benefit and to prevent the possibility of their becoming public charges. These provisions of the law are simply to the effect that the creditor may enforce his process against the debtor, except that there shall be exempt therefrom certain articles needed in the household and a modest homestead upon which to live. The giving of a discharge to an honest insolvent is but an exemption in another form; that is, instead of saying that property of a certain description and a homestead of a certain value shall not be subject to compulsory process, the law provides that all debts, except those of a fiduciary character, incurred prior to a certain date, shall not be collectible by law.

The most frequent reply that is made to him who advocates the discharge of a bankrupt by law is the statement that any honest man can procure a discharge from his creditors, provided he is entitled to it. This allegation is not true. In many cases the creditors of the unfortunate debtor become dispersed, rights are transferred, and obligations descend by the laws of distribution from deceased creditors to minor heirs, and in many cases it is impossible to tell who the creditors of a debtor are. There are many large houses which make it a rule never to grant discharges upon any terms except that of payment of dollar for dollar of the indebtedness. There are many large houses and small houses, too, for that matter, which ostensibly accept settlements, but attach thereto certain conditions secretly which are abhorrent to men possessing instincts of fair play.

To have a uniform law, pursuant to which discharges will be granted to those who deserve them, will prevent the present practices in relation to discharges, which amount to fraud and moral perjury on the part of the debtors, and to blackmail upon the part of the creditors. The change will amount to substituting a standard of honesty for the determination of the question as to whether a man shall or shall not be discharged, instead of a varying standard which may be erected by the whim or caprice of the several creditors.

Under the old law men were occasionally discharged from their obligations who were not thought, by the best people cognizant of the facts, to be entitled to such consideration. The measure now under discussion was framed with very great care to prevent a recurrence of this wrong. I am not an enthusiast of the kind that believes it is possible to attain perfection in a world inhabited by human beings and whose laws are administered solely by them, but I believe that the measures for the prevention of wrong contained in this bill are as full and as simple as they can be made, and that there will never be a case in which a man not entitled to a discharge will receive one if the creditors are vigilant in the premises.

My conclusion, therefore, is, that claims against insolvents, whose estates have been distributed in part to their creditors, are worthless, and that the cancellation of them is no material loss to the creditors, while it is advantageous to the individual debtors, and to the community at large, and that discharges ought to be granted to honest bankrupts.

(*k*) *Economy and expedition of the administration of bankrupt estates.*

If this bill were a duplicate of the old one it ought not to be passed. I do not understand that any of the friends of this movement have a word to say in behalf of or in defense of the former law. That measure was enacted at the close of the war in compliance with the demands of a particular class. It was faulty in its provisions; it was administered under unfavorable circumstances; many of the persons who availed themselves of its provisions did not have any estates; many of the officials absorbed to a large extent the estates confided to them; and the conditions then prevalent made it possible for it to be used to the detriment of the better classes, and hence it was repealed at the instance of the people.

The delays under the old law were very numerous, and in many cases for a long time. This was chiefly because of two reasons. The first was that the procedure provided under the law was not such as to facilitate the administration of estates; and, second, the officers who were

charged with the responsibility of conducting the business were interested in a financial way in prolonging the administration. It is one of the marked features of the present bill that its machinery is simple and easily adapted to the peculiar circumstances which invariably attend the various cases coming before the courts, and is designed to make quick results the rule and not the exception, as under the old law.

One of the chief evils which we hear spoken of, with the greatest frequency, in connection with our former bankruptcy experiences, is the long delays in closing up estates.

The theory of this law is that in order to secure quick results from the persons having in charge the administration of the law, we must so compensate them that they will be pecuniarily interested in performing their duties promptly, and in securing the settlement of the estates as soon as it can be done for the best interests of the creditors.

The trustee who handles the estate, reduces it to cash, and pays it over to the creditors, receives a commission, not upon the income or outgo of the estate, nor on the property which he handles at an estimated valuation, but upon the dividends actually paid to the creditors. The manner of the payment of this commission will interest this officer in keeping the expenses as low as possible and in having the dividends as large and payable as quickly as the best interest of the creditors will permit. The compensation stated for the referee is a fixed annual salary, and a fee per case as before provided.

It is therefore obvious that the three officers who are to perform the chief duties in the administration of the estates are each of them pecuniarily interested in expediting the business before them. The result will be a prompt administration under the new law.

Another of the evils attending the administration of the last act was that of the fee system, which to a large extent absorbed the assets of estates, and in addition was productive of excessive delays in their administration. For example, the register received a fee for every hearing had in administering estates, a fee for every paper which was certified to by him; a fee for every memorandum of proceedings conducted before him, which was transmitted to the clerk of the court, and so on, *ad infinitum*. The approximately corresponding officer, under the proposed law, will receive a small annual salary and a small fee per case when the case is concluded and the records have been certified and returned to the clerk's office.

The assignee under the old order of things received a commission on all moneys paid out, a fee for every meeting he attended, a fee for every account submitted to meetings of creditors, and so on, *ad nauseam*. The approximately corresponding officer, as provided by the measure under consideration, is the trustee. His entire compensation will consist of a small commission upon amounts paid creditors as dividends. The sums paid to him, both by reason of the manner in which the computation is made as to the amount due and by the time of payment, will be an inducement to him to expedite the administration of the estates before him, and to keep the expenses at a minimum.

The district clerk formerly was compensated according to the schedule of fees, which provided that his every official act resulted in a diminution of the assets of the estates. Under the provisions of this bill, the same officer will be paid a fixed fee of $10, and will receive it in advance at the time of the filing of the petitions in the case. This arrangement will not only result in very great economy in the estates administered, but will add to the speed in their administration.

It has been a difficult problem to solve, how to provide for the compensation of the referees, so as to prevent their being interested in delaying proceedings and multiplying fees. The plan finally determined upon is to have them paid by the Government and at the same time to have the Government reimbursed for the outlay on that account, by the payment of a percentage by every estate which is administered, or in which a composition is confirmed; this method of compensating the referees or assistant judges is but in accord with the recognized duty of the Government to pay its judiciary out of the national treasury. This plan will annually save millions of dollars to bankrupt estates without, in all probability, costing the Government a dollar. If this plan were objected to because of the possible expense to the Government I would in reply simply submit that, since the Constitution reserves the right to Congress to pass laws upon this subject, it also imposed a responsibility to do so, and that of paying the necessary and reasonable expenses of its enforcement.

There are citizens of the United States, resident in every State in the Union, who are honest insolvents, and who will probably take the benefit of this measure if it shall be enacted. There are other citizens who will enforce its provisions as against their debtors, in the event it is placed upon the statute books. I do not consider it any reply to these citizens to say that the Government will not enact the law pursuant to the terms of the Constitution, because it will create an expense in addition to those already incident to the conducting of the Government. It is the duty of the legislators to see that the expenses which it incurs are not out of proportion to the good that it is expected to accomplish, and that they are not in any respect excessive. When such expenses are kept down to such a basis the additional expense is but reasonable, and is necessary in order to give to the citizens their full rights under the Constitution.

We confidently believe that we have reduced the expenses to the estates, the creditors and the Government to the minimum, and made the best possible provisions for expedition in the administration of the estates.

IN CONCLUSION.

This bill was prepared in the interest of honest men. In its every sentence care has been taken to fully guard the rights of the weak and curb the power of the strong; to adjust every burden where it belongs; to fix every responsibility on the shoulders by which it should be borne, and in all things and to the greatest degree to equitably adjust the rights of the two great classes, the debtors and creditors, each of which in the grand aggregate of amounts exactly balances the other, and whose voluntary transactions constitute the commerce of the world.

Gentlemen, I thank you for your kindness. [Applause.]

BIRD'S-EYE INDEX.

[MOTTO: "A place for everything, and everything in its place."]

BANKRUPT LAW

OFFICERS AND CHAIRMEN OF COMMITTEES

OF THE

NATIONAL CONVENTION OF THE REPRESENTATIVES OF COMMERCIAL BODIES

OF THE UNITED STATES.

President, JAY L. TORREY, ST. LOUIS.

Treasurer, PETER NICHOLSON, ST. LOUIS.

Secretary, JAMES T. WYMAN, MINNEAPOLIS.

Assistant Secretary, FRANCIS J. McMASTER, ST. LOUIS.

Presidential, JAMES O. BROADHEAD, ST. LOUIS.

Congressional, LOWE EMERSON, CINCINNATI.

Finance, WILLIAM T. BAKER, CHICAGO.

Bankruptcy Literature, BREEDLOVE SMITH, NEW ORLEANS.

Executive, WILLIAM E. SCHWEPPE, ST. LOUIS.

ROOMS OF THE ASSOCIATED WHOLESALE GROCERS OF ST. LOUIS.

Bodies which have been reported as being in favor of bankruptcy legislation, a few of the citizens who have petitioned therefor, and individuals who are members of the organization which has been perfected to promote the passage of the Torrey bankrupt bill, are summarized by States and Territories, as follows:

ALABAMA.

Commercial and Industrial Association of Montgomery.

Hiram G. Bond, Ensley City.
Robert C. Brickell, Huntsville.
Orville F. Cawthon, Mobile.
Charles S. Halsey, Huntsville.
Milton Hume, Huntsville.
Breck Jones, New Decatur.
Henry C. Tompkins, Montgomery.

ARKANSAS.

Arkansas Lumbermen's Association, Little Rock.
Citizens of Fort Smith (petition).
Citizens of Hartmann (petition).
Citizens of Helena (petition).
Citizens of Little Rock (petition).
Fort Smith Chamber of Commerce.
Helena Chamber of Commerce.
Little Rock Board of Trade.
Pine Bluff Board of Trade.

James H. Clendening, Fort Smith.
John G. Fletcher, Little Rock.
James A. Fones, Little Rock.
Albert S. Honnet, Pine Bluff.
John J Hornor, Helena.
George G. Latta, Hot Springs.
Logan H. Roots, Little Rock.
William G. Whipple, Little Rock.

CALIFORNIA.

Chamber of Commerce, Eureka.
Citizens of Haywards (petition).
Citizens of Los Angeles (petition).
Citizens of Plano (petition).
Citizens of San Francisco (2 petitions).
Pacific Coast Board of Commerce, San Francisco.
San Francisco, Oakland, and Haywards business and professional men (petition).
Vallejo Board of Trade.

CALIFORNIA—Continued.

Abner Doble, San Francisco.
J. Ludwig Koethen, Riverside.
Samuel B. Lewis, Los Angeles.
William R. Tolles, San Bernardino.
John Vance, Eureka.

COLORADO.

Chamber of Commerce, Denver.
Chamber of Commerce, Trinidad.
Citizens of Colorado Springs (petition).
Citizens of Denver (3 petitions).
Pueblo Board of Trade Association.

J. Sam Brown, Leadville.
Walter R. Kellogg, Denver.
Andrew McClelland, Pueblo.
Isham B. Porter, Denver.

CONNECTICUT.

Chamber of Commerce, New Haven.
Citizens of Bridgeport (petition).
Citizens of Hartford (petition).
Citizens of Norwich (2 petitions).
Connecticut State Board of Trade.
Hartford Board of Trade.
Norwich Board of Trade.

James D. Dewell, New Haven.

DELAWARE.

Wilmington Board of Trade.

Daniel W. Taylor, Wilmington.

DISTRICT OF COLUMBIA.

National Wholesale Druggists' Association, Washington City
Photographers' Association of America, Washington City.

Bodies which have been reported as being in favor of bankruptcy legislation, etc.—Cont'd.

FLORIDA.

Chamber of Commerce, Pensacola.
Citizens of Key West (petition).
Jacksonville Board of Trade.

Solomon N. Van Praag, Pensacola.
William A. S. Wheeler, Pensacola.
Robert W. Williams, Tallahassee.

GEORGIA.

Citizens of Columbus (petition).
Citizens of Cuthbert (petition).
Brunswick Board of Trade.
Macon Board of Trade.
Retail Grocers' Association, Augusta.

Benjamin F. Abbott, Atlanta.
Columbia Downing, jr., Brunswick.
Walter B. Hill, Macon.
McKinne Law, Augusta.
Junius G. Oglesby, Atlanta.
John R. Young, Savannah.

IDAHO.

Citizens of Chesterfield (petition).
Citizens of Parma (petition).

Isaac P. Vollmer, Lewiston.

ILLINOIS.

Bankers of Chicago (petition, including a number who heretofore protested, but now petition in favor of bill).
Board of Trade of the City of Chicago.
Business Men's Association, East St. Louis.
Business Men's Association, Dixon.
Business Men's Association, Lincoln.
Chicago Furniture Manufacturers' Association (2 resolutions, 1889, 1890).
Chicago Jewelers' Association.
Chicago Paint, Oil, and Varnish Club.
Chicago Paper Trade Club.
Citizens' Improvement Association, Rock Island.
Citizens of Bloomington (petition).
Citizens of Chicago (withdrawal from protest against and petition in favor of bill).
Citizens of Chicago (48 petitions, containing 954 names).
Citizens of East St. Louis (petition).
Citizens of Edwardsville (petition).
Citizens of Herscher (petition).
Citizens of Hinckley (petition).
Citizens of Monmouth (petition).
Citizens of Mount Vernon (petition).
Citizens of New Windsor (petition).
Citizens of Nokomis (petition).
Citizens of Pittsfield (petition)
Citizens of Quincy (2 petitions).
Citizens of Saybrook (petition).
Citizens of Sparta (petition).
Citizens of Unity (petition).
Citizens of Wayne City (petition).
Commercial Club, Mattoon.
Elgin Board of Trade.
Lincoln Improvement Association.
National Association of Stove Manufacturers, Chicago.
National Furniture Manufacturers' Association, Chicago.
Peoria Board of Trade.

Thomas M. Avery, Chicago.
Henry H. Aldrich, Chicago.
Thomas Austin, Quincy.
William T. Baker, Chicago.
David F. Barclay, Elgin.
Adolphus C. Bartlett, Chicago.
J. Harley Bradley, Chicago.
Mortimer N. Burchard, Chicago.
Thomas Davies, Chicago.
William B. Dunlap, Mattoon.
Leo. Ernst, Chicago.
Herman F. Hahn, Chicago.

ILLINOIS.—Continued.

Frederick Hass, Rock Island.
Adolph Karpen, Chicago.
Franklin MacVeagh, Chicago.
William A. Mason, Chicago.
Charles P. McAvoy, Chicago.
Justin W. Meacham, Chicago.
Charles C. Mills, Peoria.
Henry T. Noble, Dixon.
Henry D. Sexton, East St. Louis.
Charles H. Seybt, Highland.
Graeme Stewart, Chicago.
Peter Van Schaack, Chicago.
Daniel K. Tenney, Chicago.
George H. Vrooman, Chicago.
Louis C. Wachsmuth, Chicago.
John R. Walsh, Chicago.
Louis Wampold, Chicago.

INDIANA.

Citizens of Crawford (petition).
Citizens of Fort Wayne (petition).
Citizens of Indianapolis (petition).
Citizens of Jamestown (petition).
Citizens of Madison (petition).
Citizens of New Albany (petition).
Citizens of Richmond (petition).
Citizens of Terre Haute (petition).
Merchants and Manufacturers' Club, Madison.
National Brick Manufacturers' Association (fifth annual convention), Indianapolis.
Richmond Board of Trade.

Joseph C. Abbott, Madison.
Frederick A. W. Davis, Indianapolis.
Washington I. Dulin, Richmond.
Roscoe O. Hawkins, Indianapolis.
Merrill Moores, Indianapolis.
James W. Wartmann, Evansville.
William J. Wood, Evansville.

INDIAN TERRITORY.

Citizens of McAlister, Lehigh, and Savanna (petition).

IOWA.

Blue Grass League of Southwestern Iowa, Creston.
Board of Trade of Burlington.
Business Men's Association, Davenport.
Business Men's Association, Keokuk.
Citizens of Algona (petition).
Citizens of Council Bluffs (petition).
Citizens of Creston (petition).
Citizens of Davenport (petition).
Citizens of Dubuque (2 petitions).
Citizens of Keokuk (petition).
Citizens of Monticello (petitions).
Iowa Bankers' Association, Dubuque.
State Business Men's Association, Des Moines.
State Business Men's Association, Marshalltown.

William L. Allen, Davenport.
John Blaul, Burlington.
John H. Branch, Marengo.
Frank Le Bron, Keokuk.
Arthur S. Burnell, Marshalltown
Jonas M. Cleland, Sioux City.
Philip M. Crapo, Burlington.
James B. Harsh, Creston.
Daniel B. Nash, Davenport.
Lucius Wells, Council Bluffs.

KANSAS.

Citizens of Abilene (petition).
Citizens of Arkansas City (petition).
Citizens of Burlington (petition).
Citizens of Caldwell (petition).
Citizens of Kingman (2 petitions).
Citizens of Lawrence (petition).
Citizens of Leavenworth (2 petitions).

Bodies which have been reported as being in favor of bankruptcy legislation, etc.—Contd.

KANSAS—Continued.

Citizens of Sylvia (petition).
Citizens of Tribune (petition).
Citizens of Wichita (petition).
Leavenworth Board of Trade.
Merchants' Protective Association, Salina.
Wichita Board of Trade.

Winfield S. Corbett, Wichita.
James M. Graybill, Leavenworth.
Ezra M. Ober, Salina.
Uri B. Pearsall, Fort Scott.

KENTUCKY.

Citizens of Sharon Grove (petition).
Hopkinsville Commercial Club.
National Board of Trade (twenty-first annual session), Louisville.
National Burial Case Association, Louisville.
Owensborough Board of Trade.
Paducah Commercial Club.

John M. Atherton, Louisville.
E. Birch Bassett, Hopkinsville.
Temple Bodley, Louisville.
William Cornwall, Louisville.
James E. Gaither, Louisville.
Frank T. Gunther, Owensborough.
John Morris, Louisville.
Ed. P. Noble, Paducah.
William T. Rolph, Louisville.
Sterling B. Toney, Louisville.
Harry Weissinger, Louisville.
Rozel Weissinger, Louisville.

LOUISIANA.

Chamber of Commerce and Industry of Louisiana, New Orleans.
Citizens of New Orleans (2 petitions).
Mechanics, Dealers and Lumbermen's Exchange, New Orleans.
Merchants of New Orleans (petition).
National Board of Trade (twenty-second annual session), New Orleans.
New Orleans Attorneys (petition).
New Orleans Clearing house.
New Orleans Board of Trade (Limited.)
Shreveport Board of Trade.
Wholesale Grocers' Association, New Orleans.

Albert Baldwin, New Orleans.
William J. Behan, New Orleans.
Louis Bush, New Orleans.
Frank M. Hicks, Shreveport.
Chauncey S. Kellogg, New Orleans.
Albion K. Miller, New Orleans.
Fred. F. Myles, New Orleans.
William B. Schmidt, New Orleans.
Breedlove Smith, New Orleans.
James F. Utz, Shreveport.

MAINE.

Biddeford Board of Trade.
Calais Board of Trade.
Citizens of Farmington (petition).
Citizens of Portland (3 petitions).
Portland Fruit and Produce Exchange.
Portland Mechanics' Exchange and Board of Trade.
Saco Board of Trade.
State Board of Trade, Biddeford.

Albert R. Savage, Auburn.

MARYLAND.

Business Men's Association, Annapolis.
Citizens of Baltimore (3 petitions).
Shoe and Leather Board of Trade, Baltimore.

Thomas Deford, Baltimore.
J. Ross Diggs, Baltimore.

MARYLAND—Continued.

Solomon Frank, Baltimore.
J. Walter Hodges, Annapolis.

MASSACHUSETTS.

Arkwright Club, of Boston.
Board of Trade, Amesbury.
Board of Trade, Lowell.
Board of Trade, Pittsfield.
Board of Trade, Springfield.
Boston Board of Fire Underwriters.
Boston Executive Business Association.
Boston Fish Bureau.
Boston Merchants' Association (2 resolutions, 1889, 1890).
Boston Merchants' Club.
Boston Paper Trade Association.
Citizens of Boston (13 petitions).
Citizens of Bridgewater (petition).
Citizens of Chicopee Falls (petition).
Citizens of Fitchburg (petition).
Citizens of Greenfield (petition).
Citizens of Holyoke (petition).
Citizens of Lawrence (petition).
Citizens of Marlborough (petition).
Citizens of Nantucket (petition).
Citizens of New Bedford (petition).
Citizens of Northampton (petition).
Citizens of North Dighton (petition).
Citizens of Salem (petition).
Citizens of Springfield (2 petitions).
Citizens of Woburn (petition).
Citizens of Worcester (2 petitions).
Commercial Club, Boston.
Gardner Board of Trade.
Grocers' Association, Boston.
Mechanics' Exchange, Boston.
National Paint, Oil and Varnish Association (annual session 1889), Boston.
New England Furniture Exchange, Boston.
Paint and Oil Club of New England, Boston.
Shoe and Leather Association, Lynn.
Wholesale Grocers' Association, Boston.

Noah W. Farley, Boston.
James B. Forsythe, Boston.
Rufus S. Frost, Boston.
Charles A. Grinnell, Boston.
George A. Miner, Boston.
Beverly K. Moore, Boston.
Leopold Morse, Boston.
Alexander H. Rice, Boston.
Charles Richardson, Boston.
Edward C. Rogers, Springfield.
Joseph Sawyer, Boston.

MICHIGAN.

Business Men's Association, Ann Arbor.
Business Men's Association, East Saginaw.
Business Men's Association, Grand Haven.
Business Men's Association, Kalamazoo.
Business Men's Association, Sault Ste. Marie.
Chamber of Commerce, Sault Ste. Marie.
Citizens of Battle Creek (petition).
Citizens of Detroit (3 petitions).
Citizens of Grand Haven (2 petitions).
Citizens of Grand Rapids (3 petitions).
Citizens of Lansing (petition).
Citizens of Muskegon (petition).
Citizens of Owosso (petition).
Citizens of Sault Ste. Marie (2 petitions).
Citizens of Stanton (petition).
Citizens of Traverse City (petition).
Detroit Paint, Oil and Varnish Club.
Furniture Manufacturers' Association of Northwestern Michigan, Muskegon.
Grand Rapids Board of Trade.
Grand Rapids Furniture Manufacturers' Association.
Michigan State Business Men's Association, Grand Rapids.

George H. Barbour, Detroit.

Bodies which have been reported as being in favor of bankruptcy legislation, etc.—Cont'd.

MICHIGAN—Continued.

George G. Briggs, Grand Rapids.
Wellington R. Burt, East Saginaw.
John A. Covode, Grand Rapids.
Bernhard Desenberg, Sault Ste. Marie.
Albert K. Edwards, Kalamazoo.
Theodore H. Hinchman, Detroit.
George E. Howes, Battle Creek.
Adam S. Kedzie, Grand Haven.
Edward A. Moseley, Grand Rapids.
Samuel E. Pittman, Detroit.
Charles R. Sligh, Grand Rapids.

MINNESOTA.

Board of Trade of Minneapolis.
Chamber of Commerce, St. Paul.
Citizens of Duluth (petition).
Citizens of Mankato (petition).
Citizens of Marshall (petition).
Citizens of Minneapolis (2 petitions).
Citizens of Rochester (2 petitions).
Citizens of St. Paul (5 petitions).
Citizens of Waterville (petition).
Contractors and Builders' Board of Trade, St. Paul.
Duluth Board of Trade.
Duluth Chamber of Commerce.
Fergus Falls Chamber of Commerce.
Jobbers' Association, Minneapolis.
Minneapolis Produce Exchange.
Rochester Board of Trade.
St. Paul Board of Trade.
St. Paul Jobbers' Union.
West Duluth Chamber of Commerce.
Wholesale Grocers' Association, Minneapolis.
Winona Board of Trade.
Winona Jobbers' Association.

Isaac Atwater, Minneapolis.
Melvin R. Baldwin, Duluth.
John M. Bartlett, Minneapolis.
Joel B. Bassett, Minneapolis.
William B. Dean, St. Paul.
Paul D. Ferguson, St. Paul.
Frank L. Greenleaf, Minneapolis.
Christopher B. Heffelfinger, Minneapolis.
Thomas B. Janney, Minneapolis.
Anthony Kelly, Minneapolis.
Elliot A. Knowlton, Rochester.
Daniel R. Noyes, St. Paul.
Charles E. Sawyer, Crookston.
Channing Seabury, St. Paul.
William E. Steele, Minneapolis.
Judson L. Wicks, Minneapolis.
James T. Wyman, Minneapolis.

MISSISSIPPI.

Board of Trade, Jackson.
Citizens of Bay St. Louis (petition).
Citizens of Durant (petition).
Citizens of Meriden (petition).
Citizens of White Apple (petition).
Citizens of Yazoo City (petition).
Mississippi Bar Association, Jackson.

Roswell V. Booth, Vicksburg.
William C. Craig, Yazoo City.
Aug. Keller, Bay St. Louis.
Jno. McC. Martin, Port Gibson.
T. Marshall Miller, Jackson.

MISSOURI.

Associated Wholesale Grocers of St. Louis.
Business Men's Club, Joplin.
Cape Girardeau Board of Trade.
Citizens of Barkersville (petition).
Citizens of Barnetts (petition).
Citizens of Boone County (petition).
Citizens of Charleston (petition).
Citizens of Fulton (petition).
Citizens of Ghermanville (petition).

MISSOURI—Continued.

Citizens of Harrisonville (petition).
Citizens of Joplin (2 petitions).
Citizens of Kansas City (2 petitions).
Citizens of Kirkwood (petition).
Citizens of Lancaster (petition).
Citizens of Olean (petition).
Citizens of Moselle (petition).
Citizens of Richland (petition).
Citizens of Rocheport (petition).
Citizens of St. Joseph (petition).
Citizens of St. Louis (19 petitions).
Citizens of St. Thomas (petition).
Citizens of Sedalia (2 petitions).
Citizens of Varner (petition).
Citizens of Warrenton (petition).
Citizens of Whiting (petition).
Kansas City Commercial Club.
Kansas City Paint, Oil and Varnish Club.
Lawyers of Sedalia (petition).
Mechanics' Exchange, St. Louis.
Merchants' Exchange, St. Louis (2 resolutions, 1889, 1890).
Mexican and Spanish-American Commercial Exchange, St. Louis.
Missouri Bar Association, St. Louis.
St. Charles Board of Trade.
St. Louis Furniture Board of Trade.
St. Louis Paint, Oil and Drug Club.
Springfield Board of Trade.
Young Men's Commercial Club, Moberly.

Leon J. Albert, Cape Girardeau.
Rufus E. Anderson, Hannibal.
James O. Broadhead, St Louis.
Robert S. Brookings, St. Louis.
Adolphus Busch, St. Louis.
Charles A. Cox, St. Louis.
Samuel Cupples, St. Louis.
Frank Gaiennie, St. Louis.
Baldwin B. Gill, Chillicothe.
Noah M. Givan, Harrisonville.
Joseph W. Goddard, St. Louis.
Henry S. Hopkins, St. Louis.
Anthony Ittner, St. Louis.
Geo. P. B. Jackson, Sedalia.
John A. Lee, St. Louis.
Charles A. McCann, Springfield.
Francis J. McMaster, St. Louis.
James M. Nave, Kansas City.
Samuel M. Nave, St. Joseph.
Cyrus Newkirk, Sedalia.
Peter Nicholson, St. Louis.
John C. O'Keefe, Moberly.
Ferdinand W. Risque, St. Louis.
William E. Schweppe, St. Louis.
D. Howell Shields, Hannibal.
Edward C. Simmons, St. Louis.
Gerrit H. Ten Brock, St. Louis.
Jay L. Torrey, St. Louis.
Cyrus P. Walbridge, St. Louis.
Robert F. Walker, St. Louis.
Benjamin W. Zimmerman, Sedalia.

MONTANA.

Chamber of Commerce, Helena.

Charles K. Cole, Helena.

NEBRASKA.

Citizens of Beatrice (petition).
Citizens of Lincoln (2 petitions).
Citizens of Omaha (8 petitions).
Citizens of St. Paul (petition).
Citizens of South Omaha (petition).
Lincoln Board of Trade.
Lincoln Retail Grocers' Association.
Nebraska Paint, Oil and Glass Club, Omaha.
Nebraska State Business Men's Association Lincoln Branch.
Omaha Board of Trade.

Andrew J. Conlee, Beatrice.
Frederick B. Kennard, Omaha.
Rolland H. Oakley, Lincoln.

Bodies which have been reported as being in favor of bankruptcy legislation, etc.—Cont'd.

NEVADA.

Citizens of Mineral Hill (petition).

NEW HAMPSHIRE.

Concord Commercial Club.
Manchester Board of Trade.
Nashua Board of Trade.

NEW JERSEY.

Asbury Park Board of Trade.
Board of Trade of Jersey City.
Brewers' Association of New Jersey, Newark.
Citizens of Jersey City (petition).
Retail Merchants' Association, Atlantic City.

Anthony W. Dimock, Elizabeth.
Leonard J. Gordon, Jersey City.
J. Frank Fort, Newark.

NEW MEXICO.

Santa Fé Board of Trade.

Charles M. Creamer, Santa Fé.

NEW YORK.

Amsterdam Board of Trade.
Brewers' Association, Buffalo.
Buffalo Fire Underwriters' Association.
Buffalo Merchants' Exchange.
Camara de Comercio Española en Nueva York.
Chamber of Commerce of the State of New York, New York City.
Cigar Manufacturers of the United States, New York City.
Citizens of Albany (petition).
Citizens of Brooklyn (petition).
Citizens of Buffalo (2 petitions).
Citizens of Clyde (petition).
Citizens of Newburgh (petition).
Citizens of New York City (14 petitions).
Citizens of Rochester (3 petitions).
Citizens of Syracuse (petition).
Citizens of Troy (petition).
Citizens of Utica (3 petitions).
Clothiers' Association of New York City.
Consolidated Stock and Petroleum Exchange, New York City.
Dry Goods Importers' Association, New York City.
Elmira Board of Trade.
Italian Chamber of Commerce, New York City.
Lumber Exchange, Buffalo.
Mercantile Exchange, New York City.
National Association of Builders (fifth annual meeting), New York City.
New York Board of Trade and Transportation, New York City (2 resolutions, 1889, 1890).
New York Jewelers' Board of Trade, New York City.
New York State Wholesale Grocers' Association, Elmira.
New York Wholesale Ice Dealers' Association.
Oneonta Board of Trade.
Paint, Oil and Varnish Club, New York City.
Retail Grocers' Association, Buffalo.
Rochester Chamber of Commerce.
Sing Sing Board of Trade.
Stationers' Board of Trade, New York City.
Warsaw Board of Trade.

Herbert P. Bissell, Buffalo.
James M. Constable, New York City.
Joseph Fahys, New York City.
Patrick Farrelly, New York City.
John C. Graves, Buffalo.
David Hirsch, New York City.
John H. Inman, New York City.
Alexander E. Orr, New York City.
George L. Pease, New York City.
Edward W. Peck, Rochester.
George Sandrock, Buffalo.
Charles S. Smith, New York City.

NEW YORK—Continued.

G. Waldo Smith, New York City.
William Steinway, New York City.
Francis B. Thurber, New York City.
Walter P. Warren, Troy.
Alfred R. Whitney, New York City.
Morris S. Wise, New York City.

NORTH CAROLINA.

Citizens of Mount Airy (petition).
Citizens of Raleigh (2 petitions).
New Berne Cotton and Grain Exchange.

Thomas B. Keogh, Greensborough.
Samuel W. Smallwood, New Berne.

NORTH DAKOTA.

Citizens of Grand Forks (petition).
Fargo Board of Trade.

Anson S. Brooks, Grand Forks.
Addison W. Clark, Grand Forks.
John W. Von Nieda, Fargo.

OHIO.

Akron Board of Trade.
Ashtabula Board of Trade.
Board of Trade, Gallipolis.
Board of Trade, Nelsonville.
Builders' Exchange, Cincinnati.
Cincinnati Board of Trade and Transportation.
Cincinnati Clothiers' Association.
Cincinnati Retail Grocers' Association.
Citizens of Bellaire (petition).
Citizens of Cincinnati (2 petitions).
Citizens of Cleveland (2 petitions).
Citizens of Clyde (petition).
Citizens of Columbus (2 petitions).
Citizens of Dayton (petition).
Citizens of Findlay (2 petitions).
Citizens of Fostoria (petition).
Citizens of Gallipolis (petition).
Citizens of Hamilton (petition).
Citizens of Ironton (petition).
Citizens of Kent (petition).
Citizens of Logan (petition).
Citizens of Massillon (2 petitions).
Citizens of Nelsonville (petition).
Citizens of Orbiston (petition).
Citizens of Zanesville (petition).
Cleveland Retail Grocers' Association.
Defiance Board of Trade.
Findlay Board of Trade.
National Paint, Oil, and Varnish Association (annual session 1890), Cincinnati.
Piqua Board of Trade and Improvement Association.
Produce Exchange, Toledo.
Retail Merchants' Protective Association, New Philadelphia.
Sandusky Business Men's Association.
Springfield Board of Trade.
Tiffin Board of Trade.

Burr W. Blair, Cincinnati.
Lee H. Brooks, Cincinnati.
Cornelius A. Brouse, Akron.
John H. Doyle, Toledo.
Richard Dymond, Cincinnati.
Lowe Emerson, Cincinnati.
Clinton D. Firestone, Columbus.
James M. Glenn, Cincinnati.
Justus Goebel, Cincinnati.
Lawrence Grace, Cincinnati.
Robert J. Harrison, Cincinnati
Anson Hurd, Findlay.
John C. Hutsinpiller, Gallipolis.
Arthur McAllister, Cleveland.
Joshua Nickerson, New Burlington.
William J. McManigal, Orbiston.
Thomas W. Lewis, Zanesville.
Oscar T. Martin, Springfield.

Bodies which have been reported as being in favor of bankruptcy legislation, etc.—Cont'd.

OHIO—Continued.

John S. Kountz, Toledo.
Alfred Seasongood, Cincinnati.
John N. Stewart, Ashtabula.
Jacob W. Stoody, New Philadelphia.
John L. Vance, Gallipolis.
William W. Woodward, Sandusky.
Charles J. Yingling, Tiffin.

OREGON.

Astoria Chamber of Commerce.
Board of Trade of Portland.
Chamber of Commerce, Portland.
Citizens of Astoria (2 petitions).
Citizens of Fostoria (petition).
Merchants' Protective Union, Portland.
Oregon Immigration Board, Portland.

John Q. A. Bowlby, Astoria.
Charles H. Dodd, Portland.
Charles M. Donaldson, Baker City.
Donald Macleay, Portland.

PENNSYLVANIA.

American Association of Flint and Lime. Glass Manufacturers (2 resolutions, 1889, 1890), Pittsburgh.
Board of Trade of Wilkes Barre.
Business firms, Philadelphia (petition).
Citizens of Hazleton (petition).
Citizens of Lovelton (petition).
Citizens of Newcastle (petition).
Citizens of Philadelphia (10 petitions).
Citizens of Pittsburgh (3 petitions).
Citizens of Reading (2 petitions).
Citizens of Scranton (petition).
Citizens of Sharpsburgh (petition).
Citizens of Tarentum (petition).
Commercial Exchange, Philadelphia.
Grocers and Importers' Exchange, Philadelphia.
Lancaster Board of Trade.
Paint and Drug Club, Pittsburgh.
Philadelphia Board of Trade.
Paint Club of Philadelphia.
Philadelphia Drug Exchange.
Philadelphia Produce Exchange.
Scranton Board of Trade.
Shoe Exchange of Philadelphia.
Titusville Board of Trade.

Theodore H. Bechtel, Philadelphia.
Frederick Fraley, Philadelphia.
Henry A. Fry, Philadelphia.
Edward H. Hance, Philadelphia.
Benjamin S. Janney, jr., Philadelphia.
John A. Price, Scranton.
G. Murray Reynolds, Wilkes Barre.
Daniel C. Ripley, Pittsburgh.
William T. Smith, Scranton.
Henry M. Steel, Philadelphia.
Daniel M. Thomas, Columbia.
Samuel Wagner, Philadelphia.
Elias Z. Wallower, Harrisburg.

RHODE ISLAND.

Board of Trade, Providence.
Citizens of Providence (petition).
Manufacturing Jewelers' Board of Trade, Providence.
Mechanics' Exchange, Providence.

James Murray, Woonsocket.
Joseph U. Starkweather, Providence.

SOUTH CAROLINA.

Charleston Chamber of Commerce.
Citizens of Cheraw (petition).

Thomas C. Gower, Greenville.
Samuel Y. Tupper, Charleston.

SOUTH DAKOTA.

Citizens of Rapid City (petition).
Commercial Club, Sioux Falls.

Robert F. Bacon, Rapid City.
James Halley, Rapid City.
Hosmer H. Keith, Sioux Falls.

TENNESSEE.

Chattanooga Board of Trade.
Citizens of Chattanooga (petition).
Citizens of Cleveland (petition).
Citizens of Jackson (petition).
Citizens of Knoxville (petition).
Citizens of Memphis (petition).
Citizens of Milan (petition).
Citizens of Nashville (petition).
Jackson Board of Trade.
Knoxville Board of Trade.

Alexander A. Arthur, Knoxville.
Zeboim C. Patten, Chattanooga.
Robert F. Patterson, Memphis.
Joseph F. Shipp, Chattanooga.

TEXAS.

Austin Board of Trade.
Bankrupts, bankers, contractors, farmers, judges, lawyers, politicians, retailers, and wholesalers, Dallas (petition).
Citizens of Dallas (2 petitions).
Citizens of Del Rio (petition).
Citizens of Denison (petition).
Citizens of Ellis County (petition).
Citizens of Galveston (4 petitions).
Citizens of Jacksonville (petition).
Citizens of Navasota (2 petitions).
Citizens of Rochdale (petition).
Citizens of San Angelo (petition).
Citizens of San Antonio (petition).
Citizens of Terrill (petition).
Citizens of Waco (petition).
Citizens of Waxahachie (petition).
Citizens of Zapp (petition).
Cleburne Board of Trade.
Dallas Board of Trade.
Dallas Fire Underwriters (petition).
El Paso Board of Trade.
Henrietta Board of Trade.
San Antonio Board of Trade.
The Builders' Exchange of Dallas.

Oliver P. Bowser, Dallas.
Richard D. Coughanour, Dallas.
Joseph Deutschman, Texarkana.
William H. Harrell, Dallas.
William Heuermann, San Antonio.
Christopher W. Mertz, Cleburne.
Joseph F. Meyer, Houston.
Julius Runge, Galveston.

UTAH.

Henry W. Lawrence, Salt Lake.

VERMONT.

Citizens of St. Albans (petition).

Andrew J. Sibley, Montpelier.
Urban A. Woodbury, Burlington.

VIRGINIA.

Board of Trade of the City of Lynchburgh.
Citizens of Lynchburgh (petition).
Citizens of Roanoke (petition).
Real Estate Exchange, Norfolk.
Richmond Chamber of Commerce.
Staunton Chamber of Commerce.

A. Berkeley Carrington, Danville.
Benjaman F. Johnson, Richmond.

Bodies which have been reported as being in favor of bankruptcy legislation, etc.—Cont'd.

WASHINGTON.

Seattle Chamber of Commerce.
Tacoma Chamber of Commerce.
Walla Walla Board of Trade.

Samuel Collyer, Tacoma.

WEST VIRGINIA.

Board of Trade, Martinsburgh.
Huntington and Cabell County Industrial and Developing Association.
Wheeling Chamber of Commerce.
Citizens of Wellsburg (petition).
Citizens of Wheeling (petition).

E. Boyd Faulkner, Martinsburgh.
Jesse M. Layne, Huntington.
Hullihen Quarrier, Wheeling.

WISCONSIN.

Association for the advancement of Milwaukee.
Business Mens' Association, Green Bay.

WISCONSIN—Continued.

Chamber of Commerce of the City of Milwaukee.
Citizens of Arcadia (petition).
Citizens of Milwaukee (withdrawal from protest and petition in favor of bill).
Citizens of Milwaukee (6 petitions).
Citizens of Neenah (petition).
La Crosse Board of Trade (2 resolutions, 1889. 1890).
Paint, Oil and Drug Club, Milwaukee.
Milwaukee Brewers' Association.

Frederick W. Inbusch, Milwaukee.
Thomas L. Kelly, Milwaukee.
Frank McDonough, Eau Claire.
Henry M. Mendel, Milwaukee.
Simon J. Murphy, jr., Green Bay.
John R. Reiss, Sheboygan.
John M. Smith, Green Bay.
David W. Starkey, Appleton.
John E. Thomas, Sheboygan Falls.

WYOMING.

Citizens of Sun Dance (petition).

INDEX.

O