

[SECRET.]

[SENATE BILL No. 11.]

SENATE, January 23, 1863.—Read first and second times, and referred to Committee on Finance. January 30, 1863, reported with amendment, and bill and amendment ordered to be printed. February 9, 1863, transferred to secret calendar, considered and pending at adjournment. February 10, 1863, read third time and passed.

JAMES H. NASH, Secretary.

HOUSE OF REPRESENTATIVES, February 11, 1863.—Taken up, read first and second times, and referred to Committee on Ways and Means.

A BILL

To be entitled “An Act to provide for the further issue of treasury notes, and for other purposes.”

1 *The Congress of the Confederate States of America do enact, That*
2 all treasury notes, not bearing interest, issued previous to the
3 first day of December, eighteen hundred and sixty-two, shall be
4 fundable in eight per cent. bonds or stock, until the twenty-
5 second day of April, 1863; that from that date until the first
6 day of July, 1863, they shall be fundable in seven per cent.
7 bonds or stocks, and after the said first day of July, they shall
8 no longer be fundable at the pleasure of the holder, but shall be
9 receivable in payment of public dues, and payable six months

10 after the ratification of a treaty of peace, as specified on their
11 face. All treasury notes not bearing interest, issued after the
12 first day of December, eighteen hundred and sixty-two, and
13 within ten days after the passage of this act, shall be fundable in
14 seven per cent. bonds or stock, until the first day of July next;
15 and after the said first day of July, shall be fundable only in
16 bonds bearing interest at the rate of four per cent. per annum,
17 and payable at any time, not exceeding thirty years from the
18 date thereof, according to such plan as may be adjusted by the
19 Secretary of the Treasury, and all such notes not funded shall
20 be receivable in payment of all public dues except the export
21 duty on cotton, and shall be payable six months after the ratifi-
22 cation of a treaty of peace between the Confederate Government
23 and the United States. All treasury notes, bearing interest at
24 the rate of 7.30 per cent. per annum, and all call certificates
25 bearing eight per cent. interest, shall, with the accrued interest,
26 be fundable on or before the first day of July, 1863, into bonds
27 of the Confederate States, bearing interest at the rate of eight
28 per cent. per annum, and payable at any time, not exceeding
29 thirty years after their date, provided that the accrued interest
30 aforesaid may, at the option of the holder, be paid instead of
31 being funded. All call certificates of every description, and all
32 notes bearing interest at the rate of 7.30 per cent. per annum,
33 outstanding on the first day of July, 1863, shall, after that date,

34 be deemed to be bonds, bearing an annual interest of six per
35 cent. and payable at a date not exceeding thirty years from
36 the said first day of July, 1863.

1 SEC. 2. In lieu of the power heretofore given by law to the
2 Secretary of the Treasury to issue treasury notes, bearing no
3 interest, he shall be authorized to issue monthly, an amount of
4 such notes, not exceeding fifty millions of dollars, which shall be
5 receivable in payment of all public dues, except the export duty
6 on cotton, payable within six months after the ratification of a
7 treaty of peace between the Confederate States and the United
8 States, and fundable at the pleasure of the holder, in bonds of the
9 Confederate States, payable at any time, not exceeding thirty years
10 after date, and bearing rates of interest as follows: If funded
11 within six months from the first day of the month of their issue,
12 the bonds shall bear six per cent. interest per annum; if funded
13 after that period, they shall be fundable into bonds bearing four
14 per cent. interest per annum. These notes shall bear upon their
15 face the month and year of their issue, and if not funded shall
16 be paid at the time specified on their face, without interest.

1 SEC. 3. After the passage of this act, the authority heretofore
2 given to issue call certificates shall cease, but the notes fundable
3 into six per cent. bonds may be converted, at the pleasure of the
4 holder, into call certificates, bearing interest at the rate of six
5 per cent. per annum from the date of their issue. That every

6 such certificate shall bear upon its face the monthly date of the
7 oldest of the notes which it represents, and be convertible into
8 like notes at any time within six months from the first day of the
9 month of its monthly date aforesaid. But every certificate not
10 reconverted within six months from the first day of its monthly
11 date shall be deemed, and taken to be a bond payable at any time,
12 not exceeding thirty years from the expiration of said six months,
13 according to such plan as may be adjusted by the Secretary of
14 the Treasury, and bearing interest at the rate of six per cent.
15 per annum. Treasury notes which, by the operation of this act,
16 become fundable into bonds, bearing a yearly interest of four
17 per cent. may be converted, at the pleasure of the holder, into
18 call certificates, bearing interest at the rate of four per cent.
19 per annum, from their date, until reconverted or paid, the
20 said certificates being reconvertible at any time by the holder
21 into notes fundable in four per cent. bonds, and payable and
22 receivable as heretofore prescribed. But the said certificates
23 may be redeemed by the Government, after six months from the
24 ratification of a treaty of peace between the Confederate States
25 and the United States.

1 SEC. 4. The Secretary of the Treasury shall use any disposa-
2 ble means in the Treasury which can be applied to that purpose
3 without injury to the public service, to the purchase of treasury
4 notes bearing no interest, and issued after the passage of this

5 act, until the whole amount of treasury notes in circulation shall
6 not exceed one hundred and seventy-five millions of dollars.

1 SEC. 5. The treasury notes hereby allowed to be issued shall
2 be of any denomination of not less than five dollars, which is
3 now authorized by law, that the Secretary of the Treasury may
4 direct. The authority hereby given shall cease at the expiration
5 of the first session of Congress after the ratification of a treaty
6 of peace, or at the end of two years, should the war continue so
7 long.

1 SEC. 6. In addition to the authority hereinbefore given to
2 the Secretary of the Treasury to issue treasury notes, he shall
3 be allowed to issue notes of the denominations of one dollar, and
4 of fifty cents, to such an amount as, in addition to the notes of
5 the denomination of one dollar heretofore issued, shall not exceed
6 the sum of fifteen millions of dollars; and said notes shall
7 be payable six months after the ratification of a treaty of peace
8 between the Confederate States and the United States, and re-
9 ceivable in payment of all public dues, except export duty on
10 cotton, but shall not be fundable.

1 SEC. 7. That the Secretary of the Treasury be authorized to
2 sell bonds bearing six per cent. interest per annum, and payable
3 as hereinbefore directed at par for treasury notes issued since the
4 first of December, 1862, to such of the Confederate States as
5 may desire to purchase the same; or he may sell such bonds,

6 when guaranteed by any of the States of the Confederacy, upon
7 such plan as may be determined by the Secretary of the Treasury,
8 for treasury notes, on such terms as he may deem advisable, to
9 the highest bidder, and not below par: *Provided, however,* That
10 the whole amount of such bonds shall not exceed two hundred
11 millions of dollars: *And provided, further,* That the treasury
12 notes thus purchased shall not be reissued, if the effect of such
13 reissue would be to increase the whole amount of treasury notes
14 bearing no interest, which are in circulation, to a sum greater
15 than one hundred and seventy-five millions of dollars. And the
16 Secretary of the Treasury is also authorized at his option, after
17 the first of July, 1863, to issue and sell at not less than par as
18 estimated in Treasury notes, coupon bonds of the Confederate
19 States, bearing six per cent. interest per annum, and payable as
20 hereinbefore directed. The said coupons to be paid at the plea-
21 sure of the owner, either in the currency in which interest is
22 paid on other bonds of the Confederate States, or else in cotton
23 certificates which pledge the government to pay the same in
24 cotton of the quality of New Orleans middlings. The said
25 cotton to be paid at the rate of eight pence sterling per pound,
26 and to be delivered at any time within six months after the ratifi-
27 cation of a treaty of peace between the Confederate States and
28 the United States, at any or all of the ports of New Orleans,
29 Mobile, Savannah, Charleston, or Wilmington, as the Secretary

30 of the Treasury may direct: *Provided, however,* That the bonds
31 hereby authorized shall not exceed one hundred millions of
32 dollars, and shall be applied only to the absorption of treasury
33 notes, as prescribed in this act.

1 SEC. 8. That it shall be the duty of the Secretary of the
2 Treasury, immediately after the passage of this act, to make
3 publication of a copy thereof in each State, in at least two
4 newspapers published in the State, and in case said publication
5 be not made at least sixty days prior to the first July, 1863, then
6 the privilege of funding treasury notes in seven per cent. bonds
7 shall continue for sixty days after the date of such publication
8 in such State, where such publication shall not have been made
9 within the time aforesaid.

