

Report No. 728.

[To accompany bill H. R. No. 369.]

HOUSE OF REPRESENTATIVES.

UNION BANK OF FLORIDA.

JUNE 23, 1848.

Mr. FLOURNOY, from the Committee of Claims, made the following
REPORT:

The Committee of Claims, to whom was referred the petition of the president and directors of the Union Bank of Florida, report:

That this claim is for money alleged to have been advanced to the governor of Florida by the bank, at the request of the legislative council, to provide for the defence of the inhabitants of the territory against hostile Indians. The facts are fully stated in the memorial, which is annexed hereto.

After a careful examination of the papers, the committee recommend the payment of so much of the amount advanced as has not been reimbursed, and report a bill, herewith, to that effect. There now remains unpaid, the sum of \$2,474 02, and interest thereon from the 1st of January, 1846.

To the Congress of the United States of America, the memorial of the president and directors of the Union Bank of Florida,

RESPECTFULLY REPRESENTS:

That, under authority given to the governor by the legislative council of Florida, to borrow money for the defence of the Territory from Indian hostilities, the Union Bank of Florida loaned to R. K. Call, esq., the then governor, the sum of fifty thousand dollars, at the current legal rate of interest in Florida, and received therefor fifty bonds, of one thousand dollars each, upon which the entire interest was paid by the Territory, up to 1st January, 1842, at which time there was also paid, of the principal debt, the sum

of (\$31,416) thirty-one thousand four hundred and sixteen dollars; whereupon said bank surrendered to Governor Call thirty-one of said bonds, numbers 1 to 31, inclusive; and, in presence of said governor, a credit for the remaining four hundred and sixteen dollars was endorsed upon the bond numbered 32, as a payment made on said 1st January, 1842.

At a subsequent date, said bank assigned twelve of the remaining bonds (Nos. 33 to 44, both inclusive) to certain of its creditors residing in New York, to whom the principal and interest of said bonds was afterwards paid by the United States, under an order of the Secretary of War, pursuant to the provisions of an act of Congress authorizing the payment of such loans as had been negotiated by the Territory of Florida for the purposes of public defence; which act, it is believed, was passed in the year 1845. And under the same authority, also, another loan of fifty thousand dollars, which had been negotiated with another Florida bank, by the successor of Governor Call, had been paid in full by the United States, to certain claimants residing in New York.

There remained in the possession of the Union Bank of Florida six bonds, numbers 45 to 50, inclusive, and bond number 32, upon which the sum of four hundred and sixteen dollars had been paid; and they had been reserved to provide for special creditors of the bank, to whom they had been pledged. These bonds were forwarded on the 12th June, 1845, to William Selden, esq., treasurer of the United States, for collection, and were by him delivered to the comptroller, A. K. Parris, esq., in whose custody they are supposed to be now. Upon those bonds there was due, on the 1st August, 1845, for principal and interest.... \$8,461 16
And there was then paid to Mr. Selden..... 4,847 56

Leaving due, at that date..... 3,613 60
The interest whereof, to 1st January, 1846, was..... 120 45

Making then due..... 3,734 05
At that date there was paid..... 1,270 63

Leaving a balance due, 1st January, 1846, of.... 2,463 42

which balance the accounting officers of the treasury of the United States have refused to pay, upon the plea that, in the year 1841, a certain warrant, for the sum of thirty-seven thousand two hundred and eighty dollars had been issued, and given to an agent of Governor Call, on account of moneys expended by him in defence of the territory of Florida; which warrant, not being convertible into specie, or other available money, said agent had been obliged to sell, at a discount of five per cent., making a loss of \$1,864 upon the amount of the warrant; which loss the said accounting officers allege should be charged as a payment against the said bonds, on the said 1st January, 1842. But your memorialists protest against a decision which will make them responsible, either for the depreciation in the value of the warrant, or for the acts of

the agent of Governor Call, which acts were sanctioned and approved by him, as is evidenced by the settlement made between him and the bank, when the \$31,416 was credited, as before stated. And if it be the policy of the United States that the loss caused by the depreciation of its liabilities shall be borne by others than the government, let it fall upon the Territory of Florida, by whose agent the sale was made. The United States treasury is still the debtor of the Territory, and has ample indemnity in its own hands. Of one item of that indebtedness evidence is furnished by the books of the bank, in the payment of interest due on the 1st January, 1840, and 1841, upon the amount of the loan, the former interest being \$1,066 50, and the latter being \$4,000; which payments were not adverted to in the settlements made at the Treasury Department.

Your memorialists respectfully ask that justice may be done, by payment to the creditor to whom said bonds were pledged, of the sum of (*\$2,463 42) two thousand four hundred and sixty-three dollars and forty two cents, with the interest thereon from the 1st January, 1846. And, as in duty bound, your memorialists will ever pray, &c., &c.

JOHN G. GAMBLE,

President Union Bank of Florida.

In 1839, the Territory of Florida borrowed \$50,000 of the Union Bank of Florida, and gave fifty bonds, (numbered from 1 to 50,) each for the sum of \$1,000, with interest at the rate of 8 per cent.

In December, 1841, Richard K. Call, governor of Florida, deputed as his agent Charles F. Mercer, of said bank, to call upon the Secretary of War, and in his name to receive and receipt for any sums of money due the Territory, for supplies furnished to the troops engaged in defence of said Territory.

That in the report of General Jesup of the 27th December, 1841, on the demand of said agent, it was shown by General Jesup that the United States were indebted to said Territory for supplies so furnished, in the sum of \$37,280.

That on the 28th of December, 1841, a treasury warrant, No. 8,578, issued in favor of R. K. Call, governor of Florida, for the aforesaid amount, to be paid to his authorized agent, Charles F. Mercer, and to be expressly charged to Governor Call, as will appear by reference to said warrant and receipt thereon, as recommended by General Jesup. (See the warrant.)

That on finding but a small amount of money in the treasury, and but few treasury notes, it was so arranged between the Secretary of the Treasury and said Mercer that said warrant should be commuted into United States certificates of debt, under the act author-

* Evidently a mistake in the calculation—the balance due is \$2,474 02.

izing a loan of three millions of dollars, which stock was currently selling at 5 per cent. discount.

That the said agent visited New York, and as empowered to do by said R. K. Call, sold the \$37,280 of United States stock for \$35,416, being a depreciation of said stock of 5 per cent., losing thereby \$1,864.

That the said Governor Call, approving of the disposition of the stock, applied the net sum of \$35,416 to the payment of the territorial bonds held by said Union Bank, and received from said bank thirty-one of the bonds, and entered upon the thirty-second bond a payment of \$416.

That the remaining nineteen bonds have been passed away by said bank to various creditors, and have all been paid at the United States treasury, save a balance of \$2,474 77, with interest from the 1st of January, 1846.

That this balance arises from seven bonds sent to the treasury for collection, viz: bond No. 32, for.....	\$584 00
And bonds numbered 45, 46, 47, 48, 49, and 50.....	6,000 00

6,584 00

Which with interest, from 1st of January, at 8 per ct., up to August 1, 1845, 3 years and 7 months.....	1,887 41
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8,471 41

Of this amount was paid 1st of August, 1845.....	4,847 56
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Leaving due at this date.....	3,623 85
Add interest up to 1st of January, 1846, 5 months.....	120 45

3,744 30

Deduct amount paid 1st of January, 1846.....	1,270 63
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2,473 67

This balance is withheld on the ground that the deficit caused by the sale of \$37,280, vested in government stock by the agent of Governor Call, the sum paid to said agent for supplies furnished by the Territory of Florida, was a deficit with which the government of the United States had nothing to do. That the agent of Governor Call having appropriated the proceeds of the sale of the stock to the redemption of the territorial bonds held by the bank, the bank must lose the deficit; the accounting officers constituting Mr. Mercer quo ad this payment, the agent of the bank to meet their views, and actually retaining, under false pretences, the bonds of the bank refusing to pay them.

The question arises, was General Mercer the agent of Governor Call at the time he received the government stock and disposed of it, or the agent of the Union Bank of Florida.

How is it to be decided? Is it to be decided by the accredited character of the agent, by the government to whom the money was

paid, or is it to be decided by the application of the money after it was so received by him? What are the proofs?

1st. There is the affidavit of General C. F. Mercer to the fact of his agency on the part of Governor Call.

2d. There is the treasury warrant, issued in favor of Governor Call, to be paid to his *authorized agent*, C. F. Mercer, and the agent's receipt therefor endorsed.

3d. There is the report of General Jesup of December, 1841, expressly closing the door to any pretensions of the Union Bank, and stating that the sum of \$37,280 are due for supplies, and that the money paid must be charged to Governor Call's account.

4th. The records of the accounting officers of the government all show that payments made for supplies, furnished by the Territory of Florida, are charged and adjusted in the name of the governor of Florida.

5th. That the thirty-one bonds were paid with the approval of Governor Call, and delivered to him.

6th. Then there are two opinions of the attorney general on this subject; the one showing why these bonds could not be paid to the bank, (an opinion in accordance with the action of the accounting officers,) the other after the bonds fell into the hands of said officers, maintaining the right to withhold the balance due on the bonds, to satisfy the loss incurred on the sale of government stock.

CORPORATION OF WASHINGTON, }
And District of Columbia. }

Personally appeared before me, H. C. Williams, a justice of the peace, in and for said corporation, Charles Fenton Mercer, of Tallahassee, in the State of Florida, who, being duly sworn on the Holy Evangelists of Almighty God, depose and sayeth: That in the autumn of 1839, the day not being now remembered, he was appointed cashier of the Union Bank of Florida, and entered upon the duties of such office shortly after. That at that time Richard K. Call was governor of Florida, though, shortly after, he was succeeded in that office by Robert Raymond Read; that at that time there were two banks in Tallahassee, one, viz: the Southern Life and Trust Banking Co., and the Union Bank of Florida, of which the affiant was cashier; that George Field was the president of the Southern Life and Trust Banking Co., and Turbret R. Betten a director thereof; that, to his certain knowledge, a short time before he, the affiant, arrived in Florida, a loan had been made by the Union Bank of Florida to the governor thereof, under the authority of an act of the legislature of Florida, for the defence thereof from Indian hostilities; that this loan was for \$50,000, payable with 8 per cent. interest; and for it the said governor, R. K. Call, issued and delivered to the Union Bank 50 bonds of \$1,000 each, numbered from one to fifty; that these bonds remained until January, 1842, in custody of the bank; that in November, 1842, he, the affiant, was appointed by Governor Call his agent and attorney in fact, in be-

half of the Territory of Florida, to demand payment of the United States for certain military disbursements, made by Governor Call in the defence of the Territory of Florida from Indian hostilities, and, in consequence thereof, the affiant applied to the Secretary of War, the Hon. John C. Spencer, for payment thereof; that after much delay, by advice of the Quartermaster General, and on an exhibit by him to the secretary, \$37,280 was admitted to be due on said account; that, at that time, there were in the treasury of the United States neither money nor treasury notes sufficient for the payment of said sum; and, to obtain it, the affiant agreed with the Secretary of the Treasury to apply the warrant upon the treasury for said sum to the purchase of United States certificates of a three million loan, reserving to Governor Call and the Territory of Florida the right to claim thereafter any sum that might be lost, by selling the said certificates under par; that he accordingly repaired to New York to make sale of them, and after consulting Nathan Appleton, of Boston, and after John J. Palmer, as he informed the affiant, had consulted John Jacob Astor and other persons in New York, the affiant found that more than 95 per cent. could be obtained for said stock, and he accordingly authorized its sale by the said John J. Palmer, president of the Merchants' Bank of New York, a gentleman of the highest respectability in that city. The \$37,280 yielded \$35,416, which the affiant immediately paid over, as empowered by Governor Call, to a creditor of the Union Bank, viz: Benjamin Aymar, of the house of B. Aymar & Co. The affiant further deposes that he shortly after returned to Florida, and as soon as the payment made by the Territory was communicated to Governor Call by him, in person, as it had already been by letter, the Union Bank, by its president, then as now, delivered to Governor Call 31 bonds of the loan aforesaid, and entered upon the 32d bond a receipt for \$416; the sum then due on the \$50,000 loan being, for interest, \$4,000, and the whole sum acknowledged to have been paid by the Territory under authority of the governor, as aforesaid, being \$35,416, the sum at which the certificate of stock, before mentioned, had been sold in New York. The affiant further deposes that, as cashier of the Union Bank, he created of the part of the loan remaining unpaid, while in New York, a fund for the payment of special debt, due by the Union Bank; among others, those debts recently discharged by the sums paid by the United States on account of the remaining 19 bonds, 4 of which he understands to have been paid in full in May last, and 13 now lying in the office of the Third Auditor, or subject to his control, having been paid in part only. And the affiant further deposes and sayeth that after his residence in Florida, and while residing there in the capacity of cashier of the Union Bank, about the month of May, 1840, Governor Call having been superseded in office by Governor Reed, the latter applied to the Union Bank for a loan of \$50,000 in addition to the \$50,000 which had been loaned as aforesaid to Governor Call; that some negotiation took place between Governor Reed and the Union Bank, to which the affiant was privy; but, in the midst of it, the Southern

Life and Trust Banking Co. offered to lend the additional \$50,000, and Governor Reed accepted their offer. Governor Reed shortly after died, and Governor Call was reinstated in the office of governor of the Territory of Florida.

C. F. MERCER.

Sworn and subscribed to before me this 20th day of October, 1845.

H. C. WILLIAMS.

TREASURY DEPARTMENT,
Second Comptroller's Office, October 30, 1846.

The foregoing is a true copy of an original paper on file in this office.

ALBION K. PARRIS,
Comptroller.

QUARTERMASTER GENERAL'S OFFICE,
Washington city, March 8, 1848.

SIR: I have received your letter of the 4th instant, asking to be furnished with a copy of my report to the Secretary of War, in relation to Florida supplies, in 1841; and I herewith enclose to you a copy of a report which I suppose to be the one called for.

Very respectfully, your obedient servant,

TH. S. JESUP,
Quartermaster General.

Hon. E. C. CABELL,
House of Representatives, Washington city.

QUARTERMASTER GENERAL'S OFFICE,
Washington city, December 27, 1841.

SIR: In relation to the claim presented by General Mercer, in behalf of the Union Bank of Florida, for an advance of funds to his excellency Governor Call, for the support of a militia force called into service for the protection of the inhabitants of Middle Florida and for the suppression of Indian hostilities, I have the honor to report that among the papers referred to me is a copy of a letter from the War Department to General Taylor, dated 28th of February, 1839, requesting him to authorize the governor, whenever the emergency may arise, to call into service an effective militia force, not to exceed three hundred men, to protect the inhabitants in the vicinity of Tallahassee. This authority of the War Department appears, by a statement of the adjutant general, to have been communicated by General Taylor in a letter to the governor,

dated the 21st of March, 1839. There is also among the papers a copy of a letter from the War Department to General Taylor, dated the 30th of August, 1839, requesting that authority be given without delay to Governor Call to raise a militia force, not to exceed three hundred men, to be mustered into the service of the United States, which force was to be under the orders of the governor, who was to direct its operations. A copy of these instructions appears to have been sent from the War Office direct to Governor Call. It appears from the papers before me that under these separate letters of authority, certain companies, with a suitable staff, were called into service; but that difficulties occurring, as to the mustering and supplying the greater part of them, the governor, under authority vested in him by the Territorial legislature, obtained from the Union Bank of Florida the sum of fifty thousand dollars to purchase supplies and obtain transportation for them.

From the accounts of Governor Call, now in this office, it appears that he expended for authorized supplies the following sums, viz:

On account of the quartermaster's department.....	\$6,623 28
Do do medical department.....	117 12
Do do subsistence department	3,357 48
Do do purchasing department.....	42 75
Do do ordnance department	525 53
And that he advanced to Colonel J. B. Collins the sum of.....	\$26,114
And to Captain John Shaw, assistant quartermaster.....	500
	<hr/> 26,614 00
	<hr/> 37,280 16

From the accounts of Colonel Collins it appears that the greater part of the property purchased by Governor Call, as well as the whole amount purchased by the advance to himself, was applied to the supply of the troops in service: more than fifteen thousand dollars' worth of it to those actually in the service of the United States.

Now, whatever may be thought, at this time, of the necessity of calling those troops into service, they were called out by the person not only authorized by the War Department to call them out, but to command a part of them and direct their operations even when taken into the service of the United States; that they have not all been mustered does not affect the principle of the claim; that objection is merely technical, and may be obviated by the authority of the War Department. Under all the circumstances of the case, therefore, I cannot perceive how the department can, without a violation of all good faith, refuse to recognize those troops, not exceeding the force authorized, whether mustered or not, and to reimburse all expenditures on account of their supplies, &c., as far as they come within the established regulations for the government of the army.

The claim of the Union Bank cannot, it seems to me, be recognized in any form in which it can be presented; but Governor Call is entitled to reimbursement for his advances on account of the public service, so far as evidence is exhibited of their application to the purchase of articles recognized by the regulations as military supplies, and the issue of such supplies to the troops; and I respectfully recommend that a warrant be issued in his favor, or that of his authorized agent, for thirty-seven thousand two hundred and eighty dollars, being the amount of his own disbursements and his advances to Colonel Collins and Captain Shaw; he to be charged with the amount at the treasury, and to be credited on showing the application to the service of the purchases made by himself and by Colonel Collins and Captain Shaw to the amount of the advances respectively made to them.

With high consideration and respect, I have the honor to be, sir, your obedient servant,

TH. S. JESUP,
Quartermaster General.

The Hon. J. C. SPENCER,
Secretary of War, Washington city.

ATTORNEY GENERAL'S OFFICE,
May 8, 1845.

SIR: I have considered your communication of 3d instant, as to the extent of power conferred by the joint resolution of the 1st March, 1845, which is amendatory of the resolution passed 30th April, 1844, respecting the application of certain appropriations theretofore made.

I understand from the papers transmitted with your communication, that the bonds, of which payment is demanded, were given for loans of money made for the defence of the inhabitants and suppression of Indian hostilities in the Territory of Florida; that the money so loaned was expended for those objects; and that reimbursement has not been made to Florida of the expenditures thus incurred, or by Florida to the bond holders.

It also appears that the appropriations made by Congress for these objects by two acts of the 23d of August, 1842, are not exhausted; and that a sum now stands on the books of the treasury to the credit of this head of appropriation, more than sufficient to pay the bonds now due.

The material question presented for my opinion is, does the resolution of 1st March, 1845, confer or imply authority to pay the bonds now presented for payment.

The joint resolution of 1845, declares, that nothing contained in that of 30th April, 1844, or in any other act or resolution, shall be understood or construed to prevent the Secretary of War from allowing or paying any just and equitable claims for supplies furnished, or advances or loans of money made, to provide for the defence of the inhabitants and suppression of Indian hostilities in

the Territory of Florida, provided that the amount so allowed and paid shall not exceed the sums already appropriated by law.

In construing this resolution, the intention of the legislature is a fit and proper subject of inquiry, and when ascertained must control the construction. That intention must be collected from the act itself, and other acts in *pari materia*. Whatever the terms employed may be, they are to be construed to effectuate the intention of the legislature. By the act of the Florida legislature of 4th March, 1839, the governor was authorized to raise any sum of money not exceeding one hundred thousand dollars, and to issue bonds for the same. In execution of this power he issued these bonds. By an act of Congress of 23d August, 1842, an appropriation was made for preventing and suppressing hostilities in Florida, to be expended under the direction of the Secretary of War, and by another act of the same date, provision was made for the payment of the Florida militia, with specified restrictions. By a joint resolution of 3d March, 1843, the accounting officers of the treasury are authorized to settle claims for supplies furnished the Florida militia on principles of equity and justice, under the direction of the Secretary of War. By the joint resolution of 30th April, 1844, restrictions are imposed on the settlement of these claims, and the accounting officers are directed to discharge the claims for said supplies in the following order, to wit: first, the amounts due to individual claimants; and, secondly, to the Territory of Florida, with a proviso, that the whole of the supplies paid for shall not exceed the quantity of each description, to which the said troops were entitled by existing laws.

The acts of 1842, and the joint resolutions of 1843 and 1844, all required that accounts should be rendered for audit and settlement, which would at least show on their face the particular description of supply for which payment was demanded. For, without this, the accounting officers could not determine whether the proviso last quoted presented an obstacle to payment. There was no difficulty in meeting this requisition of law, by the two classes of creditors to whom payment was directed by the resolution of April, 1844. Individual claimants and the territorial government, could readily exhibit the items of an account for supplies furnished. But there was a third class of claimants, the holders of bonds issued under the act of 4th March, 1839, who could not do this. They had loaned their money for the protection and defence of the territory, but had no agency or knowledge of its expenditure. And in this state of the law and of the claims, the joint resolution of 1st March, 1845, was passed. It differed in its terms from those which had preceded it in two important particulars. For the first time payment of just and equitable claims, for *loans or advances of money*, made for the defence of the inhabitants of Florida is spoken of, and the proviso removes the restriction which limited payments of each kind of supply to the quantity of each authorized by law. Why were these important modifications made? What loans or advances of money were thus provided for? The resolution of 1844 had explicitly directed that Florida should be paid all

claims for supplies, but the proviso implied that such payments were to be made on accounts specifying the description of the supplies furnished, and it is not to be supposed that it was in the contemplation of Congress to pay to the territorial government, loans or advances made by individuals, and which were unredeemed by the Territory. Individual claimants had been preferred in the order of payment to the territorial government, for supplies furnished, and were paid directly at the treasury of the United States. By previous enactments the United States had assumed the expenditures of the Territory, and the payment to individuals for supplies furnished in the suppression of Indian hostilities, and by the resolution, of 1845, it seems clear to me, that it was the intention of Congress to assume and pay claims for loans or advances made to Florida for this great national object; and the terms employed are sufficient for that purpose. I am not aware of any rule of construction which would forbid that this intent should be carried into effect. I am therefore of opinion that the resolution of 1st March, 1845, is directory, and that the thirty-five bonds now presented for payment, having been given for loans made for the defence of the inhabitants and suppression of hostilities in Florida, may be paid under the authority of that resolution, subject alone to the restriction of the proviso, that the amount so allowed and paid shall not exceed the sums already appropriated by law.

Being of opinion that the resolution has this effect, I have not deemed it necessary to examine the first question presented. The course of reasoning adopted would seem to lead to the conclusion that such payments could not be made without the authority conferred by the resolution of 1845. I do not, however, intend to express an opinion as to the equitable right of the bond holders to be substituted for the territorial government; I repeat, I have not deemed it important to give an opinion on any other question than on the extent of authority conferred by the joint resolution of 1st March, 1845, construed with the series of acts and resolutions in *pari materia*.

I have the honor to be, &c.,

J. Y. MASON.

Hon. WILLIAM L. MARCY,
Secretary of War.

ATTORNEY GENERAL'S OFFICE.

January 29, 1846.

SIR: I have examined the papers submitted to me in your letter of the 4th November last. I regret that my engagements of a more urgent character have delayed my giving the subject an earlier attention.

In my opinion of the 8th of May, 1845, I construed the joint resolution of the 1st of March, 1845, to authorize the payment at the treasury of the United States of certain bonds given for the loan of money to the territorial government of Florida, by virtue of the

act of the territorial legislature of 2d March, 1839, to the holders of these bonds, without the intervention of the authorities of Florida, and free from the restrictions imposed by previous acts of Congress, as to the amount and character of supplies procured with the money so loaned. It appears that there is outstanding in the hands of *bona fide* holders a balance due on the bonds given under the act of the legislature of Florida, although payments have been made to the agents of the governor of Florida and to the bondholders to the amount of one hundred thousand dollars.

In settlements previous to the 1st of March, 1845, (except in the limited class of cases embraced in the joint resolution of 30th April, 1844,) *the adjustment was of accounts of expenditures by Florida with the treasury of the United States.* The joint resolution of 1st March, 1845, authorized payments directly to the holders of bonds for loans made to the territorial government for defence against Indian hostilities. The proviso to that resolution does not limit the amount so to be paid, by the state of the accounts between the Territory and the United States, as adjusted at the treasury, but provides that the amount so allowed and paid shall not exceed the sums appropriated by law. The reference is to the appropriations made by the acts of Congress of 23d August, 1842.

Bona fide holders of bonds for loans made to Florida for the suppression of Indian hostilities, which have not been paid to them by the authorities of Florida, or at the treasury, may be allowed and paid if the appropriations referred to are sufficient.

Reference may be made to the accounts with Florida to avoid payments of bonds which have been, or ought to have been, satisfied by payments made by the treasury of the United States, and which went to the bond holders. Hence the payment of \$37,280, made to C. F. Mercer under a power of attorney from the governor of Florida, ought to be considered as a payment towards the fifty bonds of \$1,000 each, which were issued to the Union bank, of which bank General Mercer was at the time cashier, and which bonds were then held by the bank. I cannot perceive any ground for holding the United States to any loss on the public stock in which that payment was voluntarily invested by the agent who received it. Such an undertaking was inconsistent with the provisions of the law authorizing the loan of which the stock thus taken formed a part, and is not justified by any law. In adjusting the claim of the Union Bank for loans made by that bank under the act of 1839, the bonds must be credited for the full amount of the payment of thirty-seven thousand two hundred and eighty dollars.

I have the honor to be, &c.,

J. Y. MASON.

Hon. WM. L. MARCY,
Secretary of War.

TREASURY OF THE UNITED STATES,
March 18, 1846.

SIR: In compliance with your request of 25th ultimo, I have procured and enclose copies of two opinions of the Attorney General on the subject of Florida bonds, one dated 8th May, 1845, and the other 29th January, 1846. Also, a copy of Mr. John G. Gamble's letter of 8th August, 1845, to me, and his original letter of 11th October, 1845, to yourself, which I find was left with the other papers in my hands.

These, I believe, cover the whole ground of your request to me, and will afford all the information and aid which it is in my power to give you in the matter.

I am, very respectfully, your obedient servant,

W. SELDEN,
Treasurer United States.

Gen. CHAS. F. MERCER,
Galveston, Texas.