twenty-one years of age, and a qualified elector for members of the Legislature."

On motion, the Convention adjourned until to-morrow morning at 9 o'clock.

CAPITOL, AUSTIN, TEXAS,
JULY 31, 1868.

Convention met pursuant to adjournment.

Mr. Degener, from the Finance Committee, made the following report:
Reading dispensed with, and ordered to be printed.

COMMITTEE ROOM,
July 31, 1868.

Hon. E. J. DAVIS,
President of the Convention:

SIR: Pursuant to a resolution passed by the Convention, to request the Commanding General to cause the Comptroller of Public Accounts of Texas to transmit for the use of the Convention a series of statements, two voluminous documents were transmitted to the Convention, and referred to the Committee on Finance.

The documents are herewith returned, and your committee beg leave to observe that it was never their good luck to examine a report which gave so full and lucid a statement of the complicated machinery of the finances of our State, as that of Acting Comptroller George C. Rives.

The statements enter into the minutest details, and any synopsis drawn therefrom cannot do justice to a report which must be intimately studied to fully appreciate its value, and the amount of labor spent for compiling the same.

Your committee hold, however, that they would be failing in their duty if they did not reply to the eleven interrogatories of the Convention, by giving the aggregate amounts as furnished by the respective statements of the Comptroller; deem it, however, appropriate to confine themselves to such remarks only as are absolutely necessary, or of an especial interest.
Statement showing the assessment of taxes in each county in the State for the year 1867.

The report of the Comptroller names 141 counties. Of eight counties the area is not given. The total area of property owned in the 133 counties by residents of the same is 34,974,057 acres, valued at $66,013,369.00.

Area owned by non-residents of the counties, 15,865,026 acres, 17,007,387.00

Value of town lots: 23,103,200.00

597,163 horses, estimated: 13,993,948.00

3,853,029 cattle: 16,856,675.00

1,323,556 sheep: 1,876,406.00

Merchandise: 9,457,912.00

Money on hand or at interest: 6,060,245.00

Miscellaneous property: 10,543,383.00

$170,005,545.00

Poll tax: 99,013.00

Ad valorem and poll tax: 354,418.07

Income tax: 38,891.78

Salary tax: 1,186.58

$493,509.43

Pages 1 and 5 of Comptroller's Report.

SECOND INTERROGATORY.

Estimate of cost of collection of taxes under existing laws:

Total value of all property assessed for 1867, $170,005,545, at 15 cents per $100... $255,008.31

Poll tax at $1 per capita... 99,003.00

Income... 38,891.78

Salary... 1,186.58

License and occupation tax... 130,024.14

$524,123.81

Property of Tarlton Law Library, Jamail Center for Legal Research, The University of Texas School of Law
Estimate of cost of collection, including defaults of every character, 16 per cent. on assessment $83,859 80

THIRD INTERROGATORY.

Amount collected upon assessment of 1867 $394,614 25\(\frac{1}{4}\)

FOURTH INTERROGATORY.

Statement of the different accounts showing the receipts from the 4th of September, 1867, and the balance in the different kinds of funds standing at credit of each account on the 31st of May, 1868:

STATE REVENUE.

<table>
<thead>
<tr>
<th>SPECIE</th>
<th>CURRENCY</th>
</tr>
</thead>
<tbody>
<tr>
<td>To receipts from Treasury,</td>
<td>$155 09</td>
</tr>
<tr>
<td>To receipts from taxes from 1866 to 1868,</td>
<td>345,121 04(\frac{1}{4})</td>
</tr>
<tr>
<td>To receipts from Land Office</td>
<td>26 25</td>
</tr>
<tr>
<td>To receipts from Comptroller’s office,</td>
<td>7 00</td>
</tr>
<tr>
<td>To receipts from State Department,</td>
<td>12 50</td>
</tr>
<tr>
<td>Specie,</td>
<td>200 84</td>
</tr>
<tr>
<td>Total,</td>
<td>$369,467 79(\frac{1}{4})</td>
</tr>
</tbody>
</table>

By amount transferred to county tax account, 1,119 32

By balance on hand, (Specie $195 34, U. S. Currency $368,163 13\(\frac{3}{4}\)), $368,348 47\(\frac{1}{4}\)

FIFTH INTERROGATORY.

Statement of warrants drawn by the Comptroller upon the Treasurer, during the period commencing September 4th, 1867, and ending May 1st, 1868:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Supreme Court</td>
<td>$17,044 50</td>
</tr>
<tr>
<td>District Courts</td>
<td>54,452 12</td>
</tr>
<tr>
<td>Attorney General’s office</td>
<td>2,504 28</td>
</tr>
<tr>
<td>A—Judiciary</td>
<td>$74,000 85</td>
</tr>
<tr>
<td>B—Executive Department</td>
<td>6,865 05</td>
</tr>
</tbody>
</table>
C—State Department ........................................ 4,443 35
D—Comptroller’s Office .................................... 9,901 79
E—Treasurer’s Office ....................................... 2,458 93
F—General Land Office .................................... 19,869 89
G—Asylums ........................................................ 29,204 07
H—Penitentiary .................................................. 3,557 28
I—Pensions ....................................................... 941 25
K—Miscellaneous .....................................................
   Expense of sale of University lands .................. 20 25
   Extra clerk hire for bringing up back taxes .......... 1,427 19
   Salary of agent to Indians .............................. 200 00
   Repairing and refurnishing Executive Mansion ....... 2,926 56
   Salary 20th District Judges, (previous appropriation,) 713 88
   Salary 20th District Attorneys, (previous appropriation,) 258 88
   Furnishing Attorney General’s office ................. 49 50
   ———————————— ........................................... 5,596 26
L—Military appropriations .....................................
   Fuel for office of Superintendent of Public Instruction 6 75
   Porter hire .................................................. 28 50
   Publishing 25th vol. Texas Law Reports ............ 5,184 00
   Keeper and night watch of Capitol .................. 539 67
   Night watch of General Land Office ................ 33 33
   Night watch of Treasury Building ................... 185 86
   Salary of extra clerk in Treasurer’s office ........ 546 66
   Contingent expenses in Treasurer’s office ........ 153 58
   Contingent expenses in Executive office .......... 130 81
   Repairs of Capitol ....................................... 680 41
   Distribution of 25th vol. of Texas Reports ........ 166 64
   Salary of sexton and keeper of State Cemetery .... 100 00
   Stationery for the Convention 15th June, 1868 .... 1,000 00
   ———————————— ........................................... 8,766 21
Total ........................................................... $165,104 88
Statement of Public Debt:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount of 8 per cent. bonds of March 20, 1861</td>
<td>$16,000.00</td>
</tr>
<tr>
<td>Amount of 8 per cent. bonds of April 8, 1861</td>
<td>$917,000.00</td>
</tr>
<tr>
<td>Amount of 10 per cent. warrants of February 14, 1860</td>
<td>$109,077.61</td>
</tr>
<tr>
<td>Amount of non-interest notes</td>
<td>$15,000.00</td>
</tr>
<tr>
<td>Amount of 8 per cent. certificates</td>
<td>$3,671.00</td>
</tr>
<tr>
<td>Amount of unaudited claims</td>
<td>$8,323.48</td>
</tr>
<tr>
<td>Amount less audited by late Auditory Board</td>
<td>$189,343.77</td>
</tr>
<tr>
<td>Amount of 5 per cent. State bonds, payable January 1, 1879, issued to University fund, section 1 of an act to secure the Common School and University fund, approved November 12, 1866, (specie)</td>
<td>$134,472.26</td>
</tr>
<tr>
<td>Amount of 5 per cent. State bonds, payable same time, issued to School Fund, section 2, same act, both being based upon 5 per cent. U. S. indemnity bonds, formerly belonging to said fund</td>
<td>$82,168.82</td>
</tr>
<tr>
<td>Total debt</td>
<td>$1,146,369.40</td>
</tr>
</tbody>
</table>

The probable amount yet to be paid to school fund, under section 2, act of November 12, 1866, should be added to the above; but as this matter has been kept entirely within the control and management of the Executive, the Comptroller has no data whatever upon which to base an estimate.

The above statement is based upon the idea that there has been no legal authority to deal with the indebtedness of the State since the 4th of March, 1861. It has, however, been found utterly impossible to give a full and complete statement of the public debt, without giving what has been done by authority of the so-called Eleventh Legislature.

Assuming that the lately adopted amendment to the Constitution of the United States, now being the fourteenth article of the same, decides, in some measure, which portion of our public debt must be
declared valid, which portion was null and void from the beginning, it will not be inappropriate to notice:

1. That the 8 per cent. bonds, issued under the acts of March 20, and of April 8, 1861, together of $933,000, were issued in aid and for the support of the rebellion.

2. That the non-interest notes of $15,000 were all paid in warrants, and that it is proper to investigate how far persons accepting those warrants in payment of their claims, are entitled to an exchange of those warrants against legal money.

3. That the 10 per cent. warrants issued under an act of 14th February, 1860, were in reality not fully issued until January, 1862. The question thus arises how many warrants were issued after 4th March, 1861. It will take a considerable time to ascertain the real status; it is, however, believed that not more than about $50,000 are in circulation for which the State is liable. Adding to this sum the certificates issued to the Wise and Parker minute men, for the defence of the frontier since 1866, with $3,671 and $8,323 of unaudited claims, the whole amount of our public debt will not be much above $60,000.

SEVENTH INTERROGATORY.

Reports of Railway Companies made to Comptroller, under act of February 7, 1858. Only five companies have complied with the above law, as far as 1867 and 1866, respectively:

The Southern Pacific R. R. to ............... May 31, 1867.
The Houston Texas Central R. R. to .......... " " 1866.
The Galveston, Houston and Henderson R. R. to .... March 1, 1866.
The Galveston, Houston and Henderson Junction to ............... " " 1866.

If the act referred to was intended to furnish the Comptroller the means of fully judging of the security the several railroads give to the school loan, your committee holds that it is incomplete, and that the next Legislature ought to pass such acts as may be deemed necessary to prevent difficulties of a similar nature as those under which we are at present suffering.
Statement showing the present indebtedness of each Railroad Company to the State, and also what amount of interest has been paid, when, and in what kind of funds paid, and amounts remaining unpaid:

A—Buffalo Bayou, Brazos and Colorado Railroad,
  To principal .................. Gold $420,000 00
  To interest due to March 1, 1868, " 228,158 00

Total indebtedness .............. Gold $648,158 00

B—Southern Pacific Railroad,
  To principal .................. Gold $150,000 00
  To interest due to March 1, 1868, " 52,625 00

Total indebtedness .............. Gold $202,625 00
No payments of any description were made by this company.

C—Texas and New Orleans Railroad,
  To principal .................. Gold $430,500 00
  To interest due to March 1, 1868, " 195,081 52

Total indebtedness .............. Gold $625,581 52

D—Houston Tap and Brazoria Railroad,
  To principal .................. Gold $300,000 00
  To interest .................. " 142,849 58

Total indebtedness .............. Gold $442,849 58
<table>
<thead>
<tr>
<th>Railroad</th>
<th>By paid principal</th>
<th>By paid interest</th>
<th>By paid worthless warrants</th>
<th>Total indebtedness</th>
</tr>
</thead>
<tbody>
<tr>
<td>E—Houston and Texas Central Railroad,</td>
<td>Gold $4,200 00</td>
<td>2,375 38</td>
<td>69,483 33</td>
<td>76,058 71</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$366,790 87</td>
</tr>
<tr>
<td>E—Houston and Texas Central Railroad,</td>
<td>Gold $450,000 00</td>
<td>257,255 56</td>
<td>15,774 25</td>
<td>211,865 56</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$495,390 00</td>
</tr>
<tr>
<td>E—Washington County Railroad,</td>
<td>Gold $66,000 00</td>
<td>29,312 59</td>
<td>27,663 00</td>
<td>51,627 63</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$43,684 96</td>
</tr>
</tbody>
</table>

The remarks of your committee on sixth interrogatory, with regard to the public debt, contracted during the rebellion, find a full application to the payments of the several railroads toward their indebtedness, in a tender which is illegal from the beginning, being created for the purpose of carrying on war against the United States. Four railroad companies have availed themselves of a law passed by the Tenth Legislature, so-called, in December, 1863, and paid in warrants what in reality they owed in gold to the school fund, to wit:
### Property of Tarlton Law Library, Jamail Center for Legal Research, The University of Texas School of Law
For lands appropriated to Asylums. $105,084 57

Lunatic Asylum $55,841 55
Deaf and Dumb Asylum $36,750 00
Blind Asylum $12,493 02

Total $105,084 57

For lands appropriated to Asylums. $278 50
Lunatic Asylum $283,885 72
Deaf and Dumb Asylum $153,195 11
Blind Asylum $85,244 65

Grand total $531,603 98

TENTH INTERROGATORY.

Statement of amounts paid for Penitentiary from its establishment to June 1st, 1868, and in what kind of funds paid:

The Penitentiary was erected in 1848. The original expense and support $133,216 70
Erection of Factory, 1856. Materials and machinery 127,000 00
Salary of Superintendent 12,549 60
" " Clerk 12,387 00
" " Directors 5,843 44
" " Chaplain 1,562 49
" " Physician 2,517 36
Stationery, Postage and Printing 412 50

Total amount of accounts $294,989 00

To paid in Specie $281,046 24
" " " Texas State Warrants 10,362 50
" " " U. S. Currency 3580 35

Total $294,989 09
RECONSTRUCTION CONVENTION JOURNAL.

ELEVENTH INTERROGATORY.

Statement showing the amount and character of funds paid for school lands during the existence of the rebellion:

Paid in Specie .................. $ 225 52
" " 10 per cent. Warrants .... 27,933 74
" " State Treasury Warrants ... 15,568 26
" " Confederate Notes .......... 330,196 32

Total ................ $373,923 84

Of this sum the University Fund
is credited with Specie...........$ 9 16
With Illegal Tender.......... 137,335 28

$137,344 44

The School Fund, with Specie ... $ 216 36
With Illegal Tender .......... 236,363 04

$236,579 40

In view of the great expenses which would be incurred, if the Convention ordered the printing of the voluminous documents from which the above extracts are drawn, your committee does not recommend that this should be done; holds, however, that a careful examination of this extract, especially the statements of Interrogatories Nos. 6, 8 and 11th, will show the necessity of some legislative action, to settle the controversy about payments made in a tender which was created or issued for the purpose of carrying on war against the United States, giving at the same time full power to the Legislature hereafter to grant relief to such purchasers of University land, or owners of pre-emption lots, who may be deserving the same; in consideration whereof, your committee has unanimously instructed me to report the annexed resolution.

Most respectfully, E. DEGENER.

Resolved, The pretended acts of a body, calling themselves a Legislature of Texas, bearing date January 11, 1862, chap. 47, and December 16, 1863, chap. 57, being in violation of the Constitution of the United States, and in aid of the rebellion, were, and
are, null and void; Provided, That nothing herein be construed so as to prevent the Legislatures of Texas from granting equitable relief to owners of University lands, and of pre-emption lots, who are bona fide citizens of the State.

MINORITY REPORT.

A minority of your committee holds, further, that an ordinance regulating gold and United States currency claims, until the Congress of the United States takes action thereon, should be passed by this Convention.

The above exhibit, under Interrogatory 8th, shows that the several railroads are indebted to the School Fund for a sum of above two and one-half of a million of dollars in gold; which amount, if tendered in United States currency, would, under the late decisions of our courts, most undoubtedly be declared a payment in full of all the claims the school fund may have against said railroads, and thus a loss would be incurred of about $750,000 in gold. Although your committee believes that the Convention can conscientiously not treat this danger lightly, the liberty is taken of giving a further argument in favor of an ordinance regulating gold and currency claims in the following remarks:

The exchanges with Mexico from Western Texas amount to many millions annually. All these exchanges are based upon gold and silver. The Mexicans know no other currency, and the merchants of the West are compelled to make the basis of all their transactions the common medium of the world. If they cannot contract for gold and silver, and enforce those contracts in our courts, it at once confuses and paralyzes all their transactions. This western commerce, this stream of gold and silver, flowing constantly from Mexico and daily increasing, is of infinite value, and a material addition to the wealth of our whole State. Why shall not an individual, a firm or a corporation be at liberty to contract to pay, at a day certain, one thousand dollars in gold or silver, or coin, or, in default of their prompt payment, compel the party contracting to pay their value in the legal tender notes of the government at their market value, as well as to contract to deliver one thousand head of horses or cattle, and, in default of prompt delivery, to pay their market value on the day of payment.

No legal mind can draw the distinction, and certainly justice and equity draw none. The Constitution of the United States absolutely forbids Congress to pass any law, or to permit the States to pass laws, impairing the obligation of contract; and where any act
so palpably violates public policy, and abrogates all the obligations of individual contracts, it is certainly unjust and inexpedient.

It is the opinion of your committee that it was not the intention of the Congress of the United States that the Legal Tender Act should be interpreted as has hitherto been done by our courts, and that the Convention has the right to interpret the law for itself, and to make that interpretation binding on the courts of Texas.

In consideration of all these reasons, the minority of your committee has instructed me to report the subjoined declaration.

All of which is most respectfully submitted.

E. DEGENER

A DECLARATION,

Explanatory, of and more particularly defining the Legal Tender Act, passed by the Thirty-Seventh Congress of the United States, 1861-2.

We, the people of Texas, in Convention assembled, acknowledging that the Constitution of the United States, and the laws passed in pursuance thereof, are the supreme law of the land, declare,

1. That the citizens and corporations of Texas had, and have now, the undoubted right to contract, and bind themselves for the payment of gold and silver, or its equivalent coin of the United States.

2. That the act of Congress known as the Legal Tender Act was not intended to, nor does it, restrict, alter, modify, or change the above specified right; therefore, Be it declared, That the courts of Texas shall hereafter conform their decisions to the true intent and meaning of the individual contracts which may come before them for adjudication; unless the Supreme Court of the United States shall declare that the said Legal Tender Act applies to all personal contracts of the citizens of the United States, without regard to the forms of their contract.

Mr. Talbot, from the Committee on Education, made the following report. Reading was dispensed with, and it was ordered to be printed.

Committee Room,
Austin, July 31, 1868.

Hon. E. J. DAVIS,
President of the Convention:

Sir: Your Committee on Education, having had under consideration that part of the Constitution, have instructed me to report
the accompanying article on that subject. The necessity that exists in all free States for the education of all the children of the State, has come to be so universally acknowledged, that no argument appears necessary to justify the committee in having made so liberal provision for the support and maintenance of public schools, and in giving the control of the whole subject to an independent board. The article is respectfully submitted to the consideration of the Convention.

JOSEPH W. TALBOT,
Chairman.

PROVISIONS RESPECTING EDUCATION.

SECTION 1. A general diffusion of knowledge being essential to the preservation of the rights and liberties of the people, it shall be the duty of the Legislature of this State to make suitable provision for the support and maintenance of a system of public free schools, for the gratuitous instruction of all the scholastic inhabitants of the State between the ages of six and eighteen years, without distinction on account of race, color or previous condition.

SEC. 2. The public free schools and other educational institutions of the State shall be under the management of a Board of Education, consisting of a Superintendent of Public Instruction, the Controller, and two members from each Congressional District. The Governor of the State shall be ex officio a member of the board, but shall have no vote in its proceedings.

SEC. 3. The Superintendent of Public Instruction shall be President of the Board of Education, and have the casting vote in case of a tie. He shall have the supervision of the public free schools of the State, and perform such other duties as may be imposed upon him by the Board of Education and law of the State. The Governor of the State shall nominate, and by and with the advice and consent of two-thirds of the Senate shall appoint, the Superintendent of Public Instruction, who shall hold his office for a term of eight years, and shall receive an annual salary of not less than three thousand dollars, which shall not be diminished during his term of service. He shall reside at the capital of the State during his continuance in office, and a suitable office room shall be assigned him by the officer in charge of the State buildings.

SEC. 4. The members of the board shall hold office for the term of four years, and until their successors shall be elected and qualified. After the first election under the Constitution, the board shall be divided into two equal classes, so that each class shall consist of one member from each Congressional district. The seats of the first
class shall be vacated at the expiration of two years from the day of
election, so that one-half may be chosen biennially.

SEC. 5. The members of the Board of Education, except the Super-
intendent and Controller, shall be elected by the qualified electors
of the Congressional district in which they are chosen, at the same
time and in the same manner as the members of Congress.

SEC. 6. The Board of Education shall exercise full legislative
powers in reference to the public free schools of the State, and its
acts, when approved by the Governor, or when re-enacted by two-
thirds of the board in case of his disapproval, shall have the force
and effect of law, unless repealed by a two-thirds vote of the Legis-
lature of the State.

SEC. 7. The Board of Education shall, at its first session, estab-
lish a uniform system of public free schools throughout the State,
and shall so provide that the course of study and the manner of
teaching shall be the same in all the public schools throughout the
State, and that no one shall be received as an instructor in any of
such public schools who has not received a certificate of competency
from such boards of examination as the Board of Education shall
designate; provided, that no one shall be held competent as such in-
structor who can not take the oath prescribed by law as a qualifica-
tion for registration as electors.

SEC. 8. The Board of Education, at its first session, shall pass
such laws as will require the attendance on the public free schools of
the State of all the scholastic population of the State for the pe-
riod of at least four months in each and every year; and shall have
authority to pass, from time to time, all such laws as may be found
necessary or proper to enforce said attendance; provided, that such
of the scholastic inhabitants as may be shown to have received reg-
ular instruction for said period of time in each and every year, from
any teacher having the certificate of competency required by the
seventh section of this article for the teachers of the public free
schools, shall be exempt from the operation of the laws contemplated
by this section; and provided further, that all teachers receiving
said certificate of competency shall be required to make returns to
the officer or authority designated by the Board of Education, of the
instruction given by them, in the same manner and in the same form
as that which may be prescribed for the returns that are to be made
by each instructor, or the principal instructor, in each of the public
free schools; and provided further, that when any scholar shall have
completely mastered all the branches of study taught in the public
free schools, he shall be entitled to receive a certificate which shall
exempt him from the further forced attendance upon the public free
schools.
SEC. 9. As a basis for the endowment and support of said system of public free schools, all the funds, lands, and other property, heretofore set apart and appropriated, or that may hereafter be set apart and appropriated, for the support and maintenance of public schools, shall constitute the public School Fund; and said fund, and the income derived thereon, shall be a perpetual fund exclusively for the education of all the scholastic inhabitants of this State, and no law shall ever be made appropriating said fund for any other use or purpose whatever. And until such time as the board of education shall provide for the establishment of such system of public free schools in the State, the fund thus created, and the income derived therefrom, shall remain as a charge against the State, and be placed to the credit of the public free School Fund.

SEC. 10. All the alternate sections of land, reserved by the State out of grants heretofore made or that may hereafter be made to railroad companies or other corporations, of any other nature whatever, for internal improvements, or for the development of the resources of the State, shall be set apart as a part of the perpetual School Fund of the State; Provided, that if, at any time hereafter any portion of the public domain of the State shall be sold, and by virtue of said sale the jurisdiction over said land shall be vested in the United States government,—in such event, all the proceeds derived from such sale shall become a part of the perpetual fund of the public free schools of the State, and the Legislature shall hereafter appropriate all the proceeds resulting from all sales of public lands to the perpetual public free School Fund.

SEC. 11. The Legislature shall provide, from time to time, for the sale of land belonging to the perpetual public free School Fund to actual settlers exclusively, and not to exceed 640 acres to any one head of family, upon such time and terms as it may deem expedient; Provided, that the Legislature shall have no power to grant relief to purchasers by granting further time for payment, but shall, in all cases, provide for the forfeiture of the land to the State for the benefit of the perpetual free School Fund, and that all interest accruing from such sales shall be a part of the income belonging to the public free School Fund, and subject to appropriation annually for educational purposes.

SEC. 12. The Legislature shall, from time to time, cause the principal sum of the public free School Fund now on hand, and arising from the sales of land, or from any other sources, to be invested in the bonds of the United States of America, or the bonds of the State of Texas, or such bonds as the State may guarantee; and the Legislature shall have no power to appropriate, loan, or invest in any other manner any part of the principal sum of the perpetual public free School Fund, for any purpose whatever; and it shall be
the duty of the Legislature to appropriate annually, the income
which may be derived from said fund, for educational purposes,
under such system as the Board of Education may adopt; And, pro-
vided, That the first appropriation of money made by any Legisla-
ture hereafter, out of the general funds of the State, shall be such as
will discharge the amount of principal or interest due upon the bonds
of the State, or such bonds as the State may have guaranteed to the
perpetual public free School Fund.

SEC. 13. All public lands, which have been heretofore granted
for public schools to the various counties or other political divisions
in this State, shall be under the control of the Legislature, and
shall be sold on the same terms and under the same regulations as
are or may be prescribed for the sale of the lands belonging to the
perpetual public free School Fund; and the proceeds of the
sale of said lands shall be added to the perpetual public free
School Fund of the State. And if any of the counties of this
State have not received their quantum of lands for the purpose
of education, the Legislature shall cause to be located for the
benefit of the public free School Fund the same quantity of
land for each of said counties as that heretofore appropriated by the
Congress of the Republic of Texas and the State to other counties.

SEC. 14. The Legislature shall provide for levying a poll-tax of
one dollar on all male persons of over twenty-one years of age for
educational purposes, which shall be annually appropriated in like
manner, and for the same purposes as the income which may be de-
derived from the perpetual free school fund.

SEC. 15. It shall be the duty of the Legislature to set apart not
less than one-fourth of the annual revenue of the State derivable
from taxation, not to include the poll tax provided for in Section 14,
for educational purposes, to be appropriated in like manner as pro-
ccribed in Section 14, for the appropriation of the poll tax to be
levied for educational purposes.

SEC. 16. The moneys and lands heretofore granted by the State
for the endowment and support of one or more Universities, shall
hereafter constitute a part of the public free school fund, and the
lands still unsold shall be sold in the same manner as is provided in
Section eleven (11) of this Article for the sale of other lands belong-
ing to the public free school fund, and the proceeds of said sales,
and the proceeds of any sales heretofore made, when collected, and
the moneys now on hand, or due by the State to the University
fund, shall hereafter constitute a part of the principal of the public
free school fund, which shall be invested in the same manner and
under the same restrictions as provided for in the investment and con-
tral of the principal of the public free school fund in Section twelve
(12) of this Article; provided, the Board of Education shall, from time to time, and as soon as practicable, establish institutions of a higher degree of learning than the ordinary public free schools, and the highest of them with a course of study equivalent to that of the average of American colleges.

SEC. 17. The Board of Education shall have power to provide for the levying of a tax in each school district, sufficient to procure the site or sites for, and the building of such school house or houses, with adequate furniture, fixtures and appurtenances, as the wants of the scholastic population of said district may require.

SEC. 18. The four hundred thousand acres of land that have been surveyed and set apart under the provisions of a law, approved August 30th, A. D. 1856, for the benefit of a lunatic asylum, a deaf and dumb asylum, a blind asylum, and an orphan asylum, shall constitute a fund for the support of such institutions, one-fourth part for each; and the said fund shall never be diverted to any other purpose. The said lands may be sold, and the fund invested under the same rules and regulations as provided for the lands belonging to the public free school fund. The income of said fund only shall be applied to the support of such institutions, and until so applied shall be invested in the same manner as the principal.

SEC. 19. No rule or law affecting the general interest of education shall be made by the Board of Education without a concurrence of a majority of its members. The style of all acts of the board shall be, “Be it enacted by the Board of Education of the State of Texas.”

SEC. 20. The Board of Education shall meet annually at the seat of Government, at the same time as the Legislature, but no more than one session shall be held in the same year, unless authorized by the Governor. The members shall receive the same mileage and daily pay as the members of the Legislature.

SEC. 21. Each school district shall be required to raise by local taxation on property an amount of money for educational purposes, and subject to the control of the Board of Education, equal to the pro rata share of said district in the appropriations annually to be made by the Legislature for school purposes; and any school district failing to raise said amount by said taxation, shall be deprived of its pro rata share of said annual appropriations; and said share shall be distributed pro rata among the school districts complying with the requirements of this Section. The Board of Education shall prescribe the time and manner in which said district taxes may be raised; provided, that all property within said school districts, subject to State taxes, shall be made subject to said local tax.
Mr. Whitmore, from the Committee on Finance, offered the following report and accompanying declaration:

COMMITTEE ROOM,
July 29, 1868.

Hon. E. J. DAVIS,
President of the Convention:

The Committee on Finance have had a resolution offered by Scott, of Lamar, under consideration, asking that the Police Court of Lamar county be authorized to levy a special tax for the purpose of paying the present indebtedness of said county, have had the same under consideration, and recommend its passage.

WHITMORE,
Chairman.

DECLARATION.

Be it declared by the people of Texas in Convention assembled:
That the Police Court of Lamar county be authorized to levy a special tax, for the purpose of paying the present indebtedness of said county, and that said tax be collected as heretofore directed by law.

Mr. Whitmore, from the Committee on Finance, made the following additional report:

COMMITTEE ROOM,
July 29, 1868.

Hon. E. J. DAVIS,
President of the Convention:

SIR: The Committee on Finance, to whom was referred two following letters of General Buchanan, refusing to endorse two resolutions passed by this Convention. to-wit:
First. A resolution appropriating the sum of fifteen thousand dollars for the payment of officers and employes appointed by the Provisional Governor A. J. Hamilton.
Second. A resolution appropriating the sum of twenty-five thousand dollars, to be placed in the hands of Governor Pease, for the purpose of employing detectives to ferret out crimes and criminals, and of paying suitable rewards to persons who succeed in arresting and bringing to justice criminals.
Your committee have duly considered the same and are of opinion that the dignity of the Convention does not require that any notice be taken of the language used in the reply of General Buchanan to the second resolution, and recommend that both resolutions be passed again by the Convention, and recommend to General Reynolds, who now is the Commander of the Fifth Military District.

All of which is respectfully submitted.

WHITMORE,
Chairman of the Committee on Finance.

HEADQUARTERS FIFTH MILITARY DISTRICT,
OFFICE OF SECRETARY FOR CIVIL AFFAIRS,
New Orleans, La., July 21, 1868.

Hon. E. J. DAVIS,
President Texas Constitutional Convention:
Austin, Texas:

SIR: I am instructed by the Commanding General to acknowledge the receipt of your communication of the tenth instant, with enclosures, and in reply thereto to inform you that the resolution of the Convention adopted on the twenty-third day of June, 1868, appropriating "fifteen thousand ($15,000) dollars, or so much thereof as may be sufficient, to pay the unsettled balance due the civil officers of the State of Texas appointed by Governor A. J. Hamilton," having been considered by the Commanding General, is for the following reasons, respectfully returned to the Convention without the approval asked for.

First. He is unable to find, in the reconstruction act of Congress under which the Convention assembled, anything which authorizes it to appropriate the moneys of the State for the purpose specified in said "declaration."

Second. This is properly a subject for legislation, and should be left to the consideration of the State Legislature.

I am, sir,
Very respectfully,
Your obedient servant,
B. B. KEELER,
Brevet Major U. S. A.,
Secretary Civil Affairs.
HEADQUARTERS FIFTH MILITARY DISTRICT,
New Orleans, La., July 21, 1868.

Hon. E. J. DAVIS,
President Texas Constitutional Convention,
Austin, Texas:

Sir: The following "declaration" of the Texas Constitutional Convention of the second of July, 1868, to-wit: "That the sum of twenty-five thousand dollars, or so much thereof as may be necessary, be, and the same is hereby appropriated out of any money in the State treasury not otherwise appropriated, and that the same be placed at the disposal of the Governor of Texas, to enable him to offer suitable rewards for the arrest and apprehension of such desperadoes, and to employ detectives to ferret out their hiding places, and that this resolution be forwarded to the Commanding General of the Fifth Military District, for approval.

"Provided, that no part of the same shall be used unless the Military Commander of the District of Texas shall first be authorized to organize military commissions for the trial of offenders," having been submitted to the Commanding General of the Fifth Military District for his approval, is, for the following reasons, respectfully returned to said Convention without the approval asked for.

First. He is unable to find, in the reconstruction act of Congress under which the Convention assembled, anything which authorizes it to appropriate the moneys of the State for the purpose specified in said "declaration."

Second. This is properly a subject for legislation, and should be left to the consideration of the State Legislature.

Third. The declaration appropriates twenty-five thousand dollars ($25,000) to be used as above stated, with a proviso with reference to military commissions, which its author doubtless intended as a gratuitous indignity to the Commanding General of the Military District, by coupling it with conditions intended to reflect discreditably upon his administration of its civil affairs.

With the display of such a spirit on the part of the Convention, the approval, by the Commanding General, of an act which equally violates the reconstruction act under which it was convened and the object for which it was assembled, can hardly be expected.

I am, sir,

Very respectfully,

Your obedient servant,

B. B. KEELER,
Brevet Major U. S. A.,
Secretary Civil Affairs.
Mr. Glenn, from the Committee on Finance, made the following minority report:

Committee Room,
July 29, 1868.

To the Hon. E. J. Davis,
President of the Convention:

The majority of the Committee on Finance have reported that the resolutions of the Convention appropriating $15,000 to pay officers and appointees under the provisional government of Governor Hamilton, and also the one placing at disposal of Governor Pease $25,000, to arrest thieves and robbers and to ferret out their hiding places, and which said appropriation having been disapproved by General Buchanan, commanding Fifth Military District, said majority of the committee ask that the same be repassed by this Convention, and submitted to Brevet Brigadier General J. J. Reynolds for his approval.

To all of which I most respectfully dissent, upon the ground that the resolutions were submitted, according to their tenor and effect, to the commanding officer of the Fifth Military District, and he having refused to make or approve said appropriation, as was his prerogative to do, alleging in vindication of his course, that no such powers were contemplated in the reconstruction acts of Congress; and that, as the Convention was acting solely under the authority derived from said reconstruction acts, it is wholly inconsistent with sound discussion and right reason to assume that we have any such legislative power vested in this body; and I would beg further to state that the appropriations in the resolutions having been defeated in a legitimate manner, they are not now a proper subject for consideration by this Convention; and finally they are subjects of purely a legislative character, and should be properly considered by the Legislature when one shall be convened.

Besides, they are calculated to inflame the public mind, already too much agitated upon the great subject of large appropriations, and a system of taxation almost insufferable. All of which I submit.

MARSHAL GLENN,
of Anderson county.

Mr. Degener moved to suspend rules for consideration of the report of the Committee on Finance.

Rules suspended.

Mr. Degener offered the following resolution:

Be it resolved, That a declaration of this Convention, asking the
assent of General Buchanan to the payment of $15,000 out of the treasury, for the settlement of claims of officers appointed by Provisional Governor Hamilton, be referred to General Reynolds for approval.

The question recurring upon the second reading of the resolution, it was read a second time and agreed to.

Rules suspended.

Resolution read third time and passed.

Mr. Hamilton, of Travis, offered the following resolution:

WHEREAS, Texas has been created a military district, and Brevet Major General J. J. Reynolds, in whose loyalty, ability, and patriotism, this Convention has full confidence, has been assigned to its command; therefore be it

Resolved, That the committee heretofore appointed by order of this Convention to repair to Millican to investigate the late disturbances at that place, be, and they are hereby relieved from such duty.

Mr. Hamilton, of Travis, moved a suspension of rules for consideration of resolution.

Rules suspended, and resolution agreed to.

Mr. Degener moved the suspension of rules to consider report of the Committee on Finance.

Rules suspended.

Mr. Degener offered the following resolution:

Be it resolved, That a resolution of this Convention, in reference to an appropriation of $25,000, for the purpose of ferreting out criminals, and paying suitable rewards for their arrestation, which was not endorsed by General Buchanan, be referred to General Reynolds for adoption.

Mr. Burnett offered the following substitute:

WHEREAS, The State of Texas has been created a Military District, under the reconstruction acts of Congress, and Brevet Major General J. J. Reynolds has been assigned to the command of the said district; and

WHEREAS, The law-abiding citizens of Texas repose full confidence in the loyalty, ability, and patriotism of General Reynolds; therefore

Resolved, That this Convention will make no appropriation of money for the detection and arrest of criminals, nor consider the propriety of so doing unless so recommended by the Governor of Texas, or Major General Reynolds.

Mr. Degener moved to lay the substitute on the table.

Upon which the yeas and nays were demanded, and resulted thus:
Yeas—Messrs. President, Adams, Armstrong of Lamar, Bell, Bellinger, Bledsoe, Board, Brown, Bryant of Harris, Buffington, Constant, Curtis, Degener, Downing, Evans of McLennan, Fayle, Fleming, Foster, Grigsby, Horné, Hunt, Johnson of Harrison, Jordan, Kealy, Kendal, Kuechler, Leib, Lindsay, Lippard, Mundine, Oaks, Patten, Posey, Ruby, Schuetze, Scott, Slaughter, Smith of Marion, Stockbridge, Sumner, Talbot, Vaughan, Watrous, Whitmore, Williams, Wright, Yarborough—47.


So the substitute was laid upon the table.

Mr. Thomas moved to amend by inserting the word "apprehension," instead of "arrestation."
Carried.

Mr. Munroe moved to strike out the words "ferreting out."
Carried.

Mr. Boyd moved to amend by inserting "$10,000," instead of "$25,000."
Carried.

Mr. Bellinger moved to lay the amendment on the table.
Carried.

Mr. Armstrong of Jasper moved to lay the resolution upon the table.

Upon which the yeas and nays were demanded, and resulted thus:


So the Convention refused to lay the resolution on the table.
Mr. Glenn moved to commit the resolution to the Committee on Judiciary.

Mr. Degener moved the previous question upon the passage of the resolution.

Previous question seconded.

The question recurred, Shall the main question be now put?

The main question was ordered.

The question recurred, Shall the resolution be engrossed?

It was agreed to.

Mr. Slaughter moved a further suspension of the rules to put resolution upon its passage.

Rules suspended.

Resolution read third time and passed.

Mr. Hamilton of Travis offered the following resolution:

Resolved, That the President and Secretary be authorized to sign a requisition on the Treasury on behalf of the official Reporter for the amount of salary due him to date.

Mr. Hamilton moved that the rules be suspended to consider resolution.

By consent, the resolution was withdrawn.

Mr. Johnson of Calhoun moved that the rules be suspended to take up the resolution reported from the Committee on Contingent expenses, and passed to a second reading on July 17.

Rules suspended.

Mr. Johnson of Calhoun moved that the resolution be recommitted to the Committee on Contingent Expenses, with instructions to report a resolution in conformity with resolution offered to-day on this subject by Mr. Hamilton of Travis.

Mr. Buffington moved that the rules be suspended to take up the resolution offered by Mr. Armstrong of Lamar, respecting the introduction of new matter into the Convention after Saturday, August 1.

Rules suspended.

Mr. Burnett offered the following amendment:

And that all declarations, resolutions or matters whatever, of a legislative character, and not pertaining to the organic law of the State, are hereby indefinitely postponed.

Mr. Sumner moved to lay the original resolution upon the table.

Upon which the yeas and nays were demanded, and resulted thus:

So the Convention refused to lay the original resolution upon the table.

Mr. Thomas offered the following amendment:

Amend by inserting after the word "matter" the words "foreign to the formation of a constitution."

Mr. Buffington moved to lay the amendment on the table.

Lost.

The question recurred upon the adoption of the amendment.

It was adopted.

Mr. Sumner moved to lay the resolution, as amended, on the table.

Upon which the yeas and nays were demanded, and resulted thus:


So the resolution was laid upon the table.

Mr. Evans of McLennan offered the following resolution:

Resolved, That whereas, William E. Horne, a member of this Convention, was sick at its assembling, and remained unable to get to his seat in this body from such sickness until a few weeks since, Be it declared, That the Secretary of this Convention do issue to the said William E. Horne a certificate for the time he was absent on account of sickness.

On motion, the rules were suspended for consideration of resolution.
Mr. Sumner moved to refer the matter to the Committee on Political and Legislative.

Lost.

The question recurred upon the adoption of the resolution.

It was adopted.

Mr. Ruby moved that the rules be further suspended to put resolution on its passage.

Resolution read third time and passed.

Mr. Pedigo offered the following resolution, and asked its reference to the Committee on Commerce and Manufactures:

Be it Resolved by the people of Texas in Convention assembled, 1. That the Congress of the United States be, and is hereby requested to make by law, Sabine Pass, in the State of Texas, a port of entry.

2. That copies of this resolution, signed by the President of this Convention, and attested by the Secretary thereof, be forwarded to the Speaker of the House of Representatives and President of the Senate of the United States.

It was so referred.

The President announced the business in order was the unfinished business of yesterday, upon the adoption of the amendment of Mr. Munroe to the 22d Section of the report of the Executive Committee.

Mr. Flanagan moved to lay the amendment upon the table, upon which the yeas and nays were demanded and resulted thus:


So the Convention refused to lay the amendment on the table.

The question recurred upon the adoption of the amendment.

Mr. Buffington moved a call of the House.

Call sustained.

Mr. Johnson, of Calhoun, asked to be excused to-day.

Leave granted.
On motion, the call of the House was suspended.
Mr. Flanagan moved a call of the House.
Call sustained.
Mr. McCormick asked leave of absence for Mr. Talbot.
Carried.
Mr. Posey moved that the Convention adjourn until four o'clock this afternoon.
Lost.
Mr. Butler moved to adjourn until eight o'clock this evening.
Lost.
Mr. Buffington moved to adjourn until to-morrow morning at nine o'clock.
Mr. Slaughter moved a suspension of the call of the House.
Lost.
Mr. Evans, of McLennan, moved a suspension of the call of the House, upon which the yeas and nays were demanded, and resulted thus:

Yeas—Messrs. President, Bell, Bellingier, Bledsoe, Board, Boyd, Bryant of Harris, Buffington, Butler, Burnett, Carter, Coleman, Constant, Curtis, Evans of McLennan, Evans, of Titus, Fayle, Flanagan, Fleming, Foster, Goddin, Grigsby, Hamilton of Travis, Harn, Horne, Hunt, Johnson of Harrison, Jordan, Kealy, Keigwin, Kendal, Kuechler, Leib, Lindsay, Lippard, Mackey, McCormick, McWashington, Mills, Muckleroy, Munroe, Patten, Phillips of San Augustine, Phillips of Wharton, Posey, Ruby, Slaughter, Smith of Galveston, Smith of Marion, Stockbridge, Sumner, Thomas, Varnell, Vaughan, Watrous, Whitmore, Williams, Wilson, of Brazoria, Wright, Yarborough—60.


So the call of the House was suspended.
The question recurring upon the adoption of the amendment, upon which the yeas and nays were demanded, and resulted thus:

Yeas—Messrs. President, Bell, Bryant of Harris, Butler, Burnett, Coleman, Constant, Curtis, Degener, Downing, Evans of McLennan, Foster, Goddin, Grigsby, Hunt, Johnson of Harrison, Jordan, Kendal, Kuechler, Lippard, Long, McCormick, McWashington, Munroe, Patten, Posey, Ruby, Slaughter, Smith of Marion, Sumner, Whitmore, Wilson of Brazoria—82.

Lindsay, Mackey, Mills, Morse, Muckleroy, Mundine, Pedigo, Phillips of San Augustine, Phillips of Wharton, Rogers, Scott, Smith of Galveston, Stockbridge, Thomas, Varnell, Vaughan, Watrous, Williams, Wilson of Milam, Wright, Yarbrough—45.

So the Convention refused to adopt the amendment.

Section 22, upon motion, was adopted.

Mr. Smith, of Galveston, moved that the Convention adjourn until to-morrow morning at 9 o'clock.

Motion withdrawn.

Mr. Hamilton, of Travis, moved that Mr. Harn be excused for two weeks.

Carried.

*Upon the motion to adjourn, the yeas and nays were demanded and resulted thus:


So the Convention adjourned until to-morrow morning at nine o'clock.

CAPITOL, AUSTIN, TEXAS,
August 1, 1868.

Convention met pursuant to adjournment.

Roll called. Quorum present. Prayer by the Chaplain.

Journal of yesterday read and adopted.

Mr. Boyd moved to adjourn till Monday morning at nine o'clock.

Upon which the yeas and nays were demanded, and resulted thus: