

The PRESIDING OFFICER. The question is on the amendment submitted by the Senator from Minnesota [Mr. NELSON].

Mr. FORAKER. I suggest to the Senator from Minnesota that, instead of the expression, "since Hawaii was annexed to the United States," he adopt the date which has been adopted in this bill, August 12, 1898.

Mr. NELSON. Very well; that is satisfactory.

The PRESIDING OFFICER. The amendment will be stated as modified.

The SECRETARY. On page 7, section 10, line 22, after the word "contracts," it is proposed to insert "except contracts for labor entered into since August 12, 1898."

The amendment was agreed to.

Mr. VEST. On page 23, in section 55, line 8, I move to insert:

Nor shall any such bonds or indebtedness be incurred until approved by the President of the United States.

This bill provides that 3 per cent upon municipal assets may be issued in the way of bonds—not exceeding 3 per cent. Three per cent is a very large indebtedness, and our experience in Missouri has been so fearful about municipal indebtedness that I am always anxious to curtail the power as much as possible. The people of Missouri to-day pay \$20,000,000 on fraudulent bonds issued by county courts under old charters, which nobody had paid any attention to, for railroads that never were constructed and never will be constructed, and there is no more possibility of their being constructed than there is of me carrying off this Capitol. Under the decision of the Supreme Court of the United States in the Iowa cases, any bonds issued by lawful authority and negotiated before maturity to an innocent holder for value assume the status of commercial paper and must be paid.

Mr. CULLOM. Do I understand that the bonds are not to be issued beyond a certain per cent?

Mr. VEST. The percentage is already fixed in the bill at 3 per cent.

Mr. CULLOM. Does the Senator mean by that that no indebtedness shall be incurred without the approval of the President or beyond such an amount?

Mr. VEST. I say "any such indebtedness." That retains the limitation of 3 per cent. I think that is too much. I think it ought to be 2 per cent. Any such indebtedness or loan, I assume, would retain the limitation of 3 per cent.

Mr. CULLOM. I am inclined to accept that amendment, so far as I am individually concerned.

The PRESIDING OFFICER. The amendment submitted by the Senator from Missouri will be stated.

The SECRETARY. It is proposed to insert, on page 23, line 8, at the end of section 10, after the word "thereof," the words "nor shall any such bonds or indebtedness be incurred until approved by the President of the United States."

The amendment was agreed to.

Mr. NELSON. I offer an amendment to section 10, page 8, line 7, after the word "offenses," to insert "except for violation of labor contracts." The clause if so amended will read:

All offenses which by statute then in force were punishable as offenses, except for violation of labor contracts, against the republic of Hawaii shall be punishable as offenses against the government of the Territory of Hawaii.

It is to prevent the enforcement by criminal punishment or to prevent criminal punishment for the mere violation of labor contracts.

Mr. MORGAN. I will say to the Senator that all the laws of Hawaii relating to punishment predicated upon labor contracts are repealed by this bill.

Mr. CULLOM. In so many words.

Mr. MORGAN. They are all repealed.

Mr. CULLOM. I have the penal laws of Hawaii in my hand, and that particular provision in the repealing section repeals all of the statutes pertaining to labor, servants, masters, etc.

Mr. HALE. I wish the Senator would state that to the Senate.

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Maine?

Mr. CULLOM. I yield, of course.

Mr. HALE. I thought we were considering the amendment.

Mr. CULLOM. We are.

Mr. HALE. I wish the Senator would state for our benefit the theory upon which this bill proceeds as to the entire question of