

This entry on the depositor's book, with the attestations of the said officer, shall be conclusive evidence of the claim of the depositor to the repayment of such deposit, with interest thereon, on demand made by him.

SEC. — That the officers engaged in the receipt or payment of savings deposits, shall not disclose the name of any depositor nor the amount deposited or withdrawn, except to the postmaster of Honolulu, or to such officers as may be appointed by him to carry this act into operation.

SEC. — That the books of the Hawaiian postal savings banks shall be opened, and the postmasters of the various designated money-order offices shall receive all deposits offered on or after the passage of this act, and credit the same in the pass book of each depositor, and make reports of the same to the postmaster of Honolulu, as may be required under the rules and regulations to be adopted by him.

SEC. — That married women and minors may in their own right make deposits and receive payment, giving valid receipts therefor: *Provided, however,* That minors under the age of 15 years can only give a valid receipt therefor upon the countersigning of the same by their natural or legal guardian.

SEC. — That in case any depositor shall die leaving a sum of money on deposit in the postal savings banks not exceeding \$100, and letters of administration or notice of existence of a will be not produced to the postmaster of Honolulu within a period of sixty days after the death of the depositor, or in case of disputes of anyone claiming to be entitled to any money deposited in the postal savings banks under \$100, as assignee, executor, administrator, or next of kin to the depositor, the matter may be referred in writing to a justice of the supreme court, whose award or order in writing shall be binding and conclusive on all parties to all intents and purposes, without any appeal.

SEC. — In case any depositor shall die leaving any sum of money on deposit in the postal savings bank exceeding \$100 the same shall only be paid to the executor or administrator on the production of letters of administration.

SEC. — That if a depositor become insane, having on deposit not exceeding \$100, the postmaster of Honolulu may, in his discretion, authorize payment from time to time out of the funds of such depositor to any person having charge of him.

SEC. — That on demand, by notice upon the postmaster of Honolulu, in such form as may be prescribed in the regulations under this act, by a depositor, or party legally authorized to claim on account of a depositor, for repayment of any deposit or part thereof, such depositor shall be absolutely entitled to payment of any sum not exceeding \$100 which may be due him within thirty days after giving such notice, and the officer making such repayments shall enter the same upon the book of the depositor and attest the entry by his signature: *Provided, however,* That payments may be made to depositors, in the discretion of the postmaster of Honolulu, on demand, or at any time prior to the periods mentioned in this section.

SEC. — That the rate of interest payable on deposits made under this act shall be 2 per cent per annum on deposits amounting to \$500 and under in any one account; but no interest shall be paid on any deposit exceeding \$500 in any one account. Interest shall not be calculated on any amount less than \$5 or some multiple thereof, and shall not commence until the first day of the calendar month next following the day of deposit, and shall cease on the first day of the calendar month in which such deposit is withdrawn. All deposits not exceeding \$1,000 in any one account that shall be on deposit three months prior to July 1 of each year shall not be assessed for taxes and shall be free from all government taxation.

SEC. — That interest on all deposits shall be calculated on the 31st day of December of every year, and shall be added to and become a part of the principal money; and the postmaster of Honolulu shall on that day of each year furnish the governor of said Territory and the Treasurer and the Postmaster-General of the United States with a sworn statement of the amount thereof, with interest, calculated and actually passed to the credit of the depositor on the books of the postal-savings bank department.

SEC. — That moneys received by the postmaster of Honolulu as deposits in the Hawaiian postal savings bank in excess of \$2,500 shall be paid into the treasury; and the treasurer shall open in the books of the treasury an account to be called the "Hawaiian postal savings," to which he shall credit all deposits made on this account; and he shall debit such sums as may be withdrawn or warrants issued by the postmaster of Honolulu for payment of sums due to depositors. All moneys received to this account, as well as the reserve in the hands of the postmaster of Honolulu and treated as a part of the Hawaiian postal savings bank, shall be deemed and treated as a part of the public debt, for which the Treasury is responsible to the depositors; and the treasury account shall, on the 1st day of January of each year, be credited as of that day with the interest actually allowed and paid to depositors under this act for the previous year ending December 31.

SEC. — That there shall be at all times retained in the treasury, as a special reserve to meet the demands of the depositors in said postal savings bank, not less than 10 per cent of the deposits in such bank on all deposits up to an aggregate of \$500,000.

SEC. — That if at any time the moneys paid into the treasury on account of the Hawaiian postal savings bank, and the interest accrued thereon, shall be insufficient to meet the lawful claims of the depositors, it shall be the duty of the Treasurer to pay the amount of such deficiency out of any moneys not otherwise appropriated, and report said amount to the governor and to the next ensuing legislature.

SEC. — That an annual account of all deposits received and paid out under authority of this act, and the expenses incurred during the year ending December 31, together with a statement of the total amount due at the close of the year to all depositors, shall be made to the postmaster of Honolulu and to the Postmaster-General of the United States, and also to the governor of the Territory of Hawaii, who shall lay the same before the legislature of Hawaii at its next ensuing session.

SEC. — That the treasurer, with the approval of the governor, is hereby authorized to issue coupon bonds of the Territory of Hawaii up to the amount of \$1,000,000, to be styled the postal savings bank loan, to be issued to depositors in the Hawaiian postal savings bank who may apply for the same, to be payable in periods not less than five nor more than twenty years, at the option of the government, and to bear interest at a rate not exceeding 2 per cent per annum, to be paid semiannually. Any such depositor with an aggregate credit on his pass book of not less than \$200, which shall be on deposit at least three months, who shall apply to the postmaster of Honolulu for such bonds shall be entitled to an issue of an amount thereof in sums of \$100 or multiples thereof, which amount shall be immediately withdrawn from the said depositor's account with the postal savings bank.

SEC. — That the postmaster of Honolulu, with the consent of the governor, may from time to time, as he shall see occasion, make and alter all needful regulations for carrying this act into execution, and, after publishing, such regulations so made shall be binding on the party in the subject-matter hereof to the same extent as if such regulations formed a part of this act; and the postmaster of Honolulu shall transmit to the legislature of said Territory, on the first day of each session, a copy of all such regulations made and enforced, and the same shall continue in force unless disapproved of or changed by the legislative authorities of the Territory.

SEC. — That the passage of this act shall in no way change the status of the deposits now in the postal savings bank, either principal or interest; and nothing herein contained shall be construed to mean any interference with such deposits, principal or interest.

Mr. BUTLER. Mr. President, there were a number of objections made yesterday afternoon to the amendment I then offered, which proposed to keep in force the present laws of Hawaii, on the ground that it would not fit. The Senator from Wisconsin [Mr. SPOONER] wanted to know what officer would perform the duties of the minister of finance, upon whom was placed the duty of managing this system. The treasurer of the Territory of Hawaii is to perform practically the duties that the minister of finance performed under the old government, and so the amendment has been changed to put the duties of the minister of finance upon the treasurer of the Territory.

Mr. SPOONER. Will the Senator from North Carolina allow me to ask him a question?

Mr. BUTLER. Certainly.

Mr. SPOONER. The amendment is quite elaborate and somewhat involved, and I do not, perhaps, understand it. Who is to pay the interest on these deposits?

Mr. BUTLER. The Territorial government.

Mr. SPOONER. At what rate?

Mr. BUTLER. Two per cent. I have simply changed it from 4½ per cent to 2 per cent and modified the law only so much as is necessary to make it fit into this bill.

Mr. TELLER. I am like the Senator from Wisconsin. I could not very well follow the reading of the amendment. What will the Territory or whatever this government may be do with this money? It is to pay interest on it. What use is it to make of it? Is there any provision for that?

Mr. BUTLER. There is a provision that whenever the amount credited to a depositor becomes so much, it shall be turned into the treasury.

Mr. SPOONER. What treasury?

Mr. BUTLER. The Territorial treasury. It is to be turned over to the treasurer appointed under this bill.

Mr. TELLER. What use will he make of it?

Mr. BUTLER. Just such use as Great Britain, France, Germany, and every other country makes of it when money under similar provisions is turned into the treasury; when the amount to the credit of the depositor becomes so much and he does not desire to withdraw it.

Mr. ALLISON. Spend it?

Mr. BUTLER. Spend it or use it in any way they see fit.

Mr. TELLER. The Senator will pardon me. It seems to me there comes in a great difficulty. The Government of the United States will of course have to guarantee, if we enact this into law, for it would be indecent if we did not, that the Territorial government would pay these depositors. I am myself very much in favor of a national postal savings bank and I have been for some years, and I shall be delighted to join the Senator from North Carolina in the effort that he says he is going to make to get a national postal savings bank. But I see the great difficulty in trying to apply this salutary and beneficial principle of government to this Territory. When the Government of the United States takes money from a depositor and it goes into the general Treasury, there is no question of our need for the money. We can take it and pay our debts, or we can take it and pay the expenses that are going to come on us after a little, which otherwise would compel us to borrow by the sale of bonds.

We have abundant ways of getting rid of it, while the Territory of Hawaii, it seems to me, ought not to have any expenditures of this kind. Their current expenses ought to be raised by current taxation. We pay their debt, so that there is no debt to be paid. It seems to me it will be very difficult for us to apply to Hawaii. I shall have to vote against the Senator's proposition, but I want it distinctly understood that I do not vote against it because I am opposed to postal savings banks.

Mr. BUTLER. If the Senator will permit me, we do not have to pay the postal savings bank debt under the amendment, because the Territory of Hawaii—the Senator from Alabama himself admitted that the officers are in favor of it—will be glad to assume the debt and keep the system instead of us having the debt to pay. We will not pay it, but they will assume the debt and be glad to do it.

Mr. TELLER. What I meant to say was our assuming it if they failed to pay. If there were any trouble over there, we should be in honor bound to pay it.

Mr. BUTLER. Is not that true of every other obligation they may incur?

Mr. TELLER. Under the general provisions of law, which the Senator from North Carolina will endeavor to secure in this direction, and I hope he may secure them, if the Hawaiian Islands become a part of the United States to the extent that they are liable to be under this law, they will be entitled to the full benefit of the national postal savings banks.

Mr. BUTLER. Of course I understand that when we establish a national postal savings bank system—and I am delighted to hear the Senator from Colorado say that—he favors it—this will be repealed the moment we adopt it. It would extend to them as it