

A HISTORY OF THE LAND SCRIP FUND IN NORTH CAROLINA

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(Editor's Note---This is an article on the history of the Land Scrip Fund in North Carolina. The Fund provided for the establishment of the present North Carolina State College, and similar federal grants created America's other 67 Land-Grant colleges. These institutions will observe the Land-Grant Centennial during the next school year and this feature is presented as historical material preceding the North Carolina observance.)

RALEIGH, N.C., July 15.---Until about the middle of the last century, higher education in the United States was the traditional and classical type imported from England. Colleges were for the few who desired to study theology, law, or medicine. Traditionally, most colleges and universities were privately owned and controlled. Sometimes they did receive State appropriations, but they were not public institutions supported by the government for the training of the common people. During the first half of the 19th Century, however, there was a growing demand for more democracy in higher education and general recognition of the necessity to educate the masses according to the needs of their everyday life.

During this period the Federal Government was disposing of millions of acres of the public domain and receiving, for that time, an immense income from such sales. It was perhaps inevitable that sooner or later those interested in equal opportunity for education relating to agriculture and industry would turn to the revenue derived from the sale of public lands to finance colleges and universities where farmers and mechanics could get this new kind of training. Perhaps the first concrete demand along this line was in 1841 when Alden Partridge of Vermont sent a petition to Congress requesting that \$40,000,000 from the sale of public lands be distributed to the states for the establishment of new, or remodeling of old, institutions in which the course of study would include mathematics, physics, chemistry, natural history, civil engineering, political economy, including agriculture, manufactures, and commerce.

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The petition was read in the House and laid on the table. A number of other national leaders championed the idea of establishing agricultural colleges by means of Federal land grants.

On December 14, 1857, Justin S. Morrill, a Congressman from Vermont, introduced the first land-grant bill in Congress. This measure gave each state 30,000 acres of public lands for each Representative and Senator then in Congress, and definitely provided for the endowment and maintenance of at least one college in each state where the leading object would be "without excluding other scientific or classical studies, to teach such branches of learning as are related to agriculture and the mechanic arts in order to promote the liberal and practical education of the industrial classes in the several pursuits and professions of life." On April 15, 1858, the bill was adversely reported by the Chairman of the Committee on Public Lands. Five days later, Morrill submitted a substitute bill. After considerable delay and parliamentary jockeying, the Act was passed early in 1859 with majorities of five in the House and three in the Senate. President James Buchanan vetoed the Act on February 26, 1859, on the grounds that the measure was extravagant, impolitic, and unconstitutional. Most Southern Congressmen were opposed to the idea on constitutional grounds.

Prior to the election of 1860, Lincoln endorsed the land-grant idea. Following Lincoln's election, Morrill re-introduced his bill but the House Committee gave an unfavorable report. However, Senator Wade of Ohio had introduced a similar bill in the Senate and this passed 32 to 7. When the Senate Bill reached the House, Morrill called it up June 17, 1862. Some opponents called for delay while others wanted it referred to the Committee on Public Lands. Morrill insisted on a vote and it passed 90 to 25. President Lincoln signed the measure on July 2, 1862. Thus came into being one or more colleges in each state where the teaching of agriculture and the mechanic arts were the primary objectives. Also the designation "Land-Grant College" became the general name for such institutions.

The specific purpose of the Morrill Act is stated in Section 4 as follows: "That all moneys derived from the sale of lands aforesaid by the States to which the lands are apportioned, and from the sales of land scrip hereinbefore provided for, shall be invested in stocks of the United States, or of the States, or some other safe stocks, yielding not less than five per centum upon the par value of said

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stocks; and that the moneys so invested shall constitute a perpetual fund, the capital of which shall remain forever undiminished, (except so far as may be provided in section fifth of this act,) and the interest of which shall be inviolably appropriated, by each State which may take and claim the benefit of this act, to the endowment, support, and maintenance of at least one college where the leading object shall be, without excluding other scientific and classical studies, and including military tactics, to teach such branches of learning as related to agriculture and the mechanic arts, in such manner as the legislatures of the states may respectively prescribe, in order to promote the liberal and practical education of the industrial classes in the several pursuits and professions in life."

The Act specified a number of conditions that had to be met and assented to by state legislative act. The following are the main conditions:

First. If any of the fund including interest was diminished or lost, it must be replaced by the State, so that the capital of the fund would remain forever undiminished; except that no more than ten percent might be used to purchase land for sites or experimental farms if authorized by the State Legislature.

Second. Neither principal nor interest could be used for construction or repair of any building.

Third. No State in rebellion was entitled to the benefits of the Act.

Fourth. Each State must accept by legislative enactment within two years.

North Carolina, being in the state of rebellion at the time of the passage of the Act, was not entitled to any of the benefits and this prohibition continued for more than two years after the passage of the Act. However, on April 14, 1864, Congress passed an amendment to the original Morrill Act extending the period of acceptance by the states for two years. This extension covered the ending of the Civil War and the return of the State into the Union.

On January 18, 1866, the Governor of North Carolina in a message to the General Assembly called attention to the acts of Congress which extended the land grants to the states for the endowment of colleges of agriculture and mechanics arts with a statement, "The conditions of the grant are not such in my judgment as should prevent its acceptance by the General Assembly, as the objects to be accomplished are of the highest importance.

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"I respectfully recommend that acceptance of the same be signified at an early date." The Governor also called attention that the time limit for acceptance was April 14, 1866. Shortly thereafter the necessary resolution was introduced in the Legislature and final ratification on February 22, 1866.

As soon as the act of the Legislature accepting the provisions of the Morrill Act was ratified, another act was passed directing the public treasurer to demand and receive the lands and land scrip to which the State was entitled, and then to dispose of such land scrip for the highest price to be obtained in the market but with the advice and consent of the Governor. He was further directed to invest the proceeds in stocks of the United States, or of the states, or some other safe stocks yielding not less than five percentum upon the par value of said stocks and that the funds so received should be held in separate and apart from other public funds.

The State Treasurer's report for 1866 and 1867 reported back to the Legislature as follows: "In compliance with the Act of the Assembly entitled 'An Act to Authorize the Public Treasurer to Receive and Invest the Land Scrip Donated to This State for the Establishment of an Agricultural College,' I commissioned Honorable D. L. Swain to proceed to Washington and procure the issue. In this he was successful, and on the 8th day of August, 1866, the scrip was forwarded to Raleigh and is now in the treasury. Under the Act of Congress granting the scrip, the states who have no public lands within their limits are not allowed to locate their scrip but must sell the same. The Act of the Assembly directs the public treasurer to sell the scrip by and with the advice and consent of the Governor. In view of the depressed state of the land market, fifty cents per acre being the usual selling price for large amounts, the Governor did not advise a sale but preferred to leave the matter open for your action which, of course, met my approval."

Dr. Kemp P. Battle in his HISTORY OF THE UNIVERSITY OF NORTH CAROLINA, Volume 1, states: "President Swain proceeded to Washington and applied for the transfer of the scrip for 270,000 acres of land; i.e., 30,000 acres for each Senator and Representative to whom this State was entitled. Notwithstanding that Congress refused to regard the succeeding states as restored their rights in the Union, President Johnson ordered the transfer to be made."

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On February 11, 1867, the Legislature passed an act transferring the land scrip from the State Treasurer to the Trustees of the University with the provision that the University should comply with the act of Congress, and further that the Trustees were instructed to dispose of the scrip as they may think best and with the proceeds establish two professorships. This Law of 1867 is as follows:

"Section I. That the land scrip given by the United States to the State of North Carolina for establishing an agricultural college be in the same as hereby transferred to the Trustees of the University in the State for the purpose of affecting the object of the grant; provided that the University shall comply with the act of Congress and make its leading object to teach such branches of learning as related to agriculture and mechanic arts without excluding other scientific studies and including military tactics.

"Section II. That the Trustees of the University be and they are hereby instructed to dispose of the same as they may think best, and with the proceeds to establish in addition to the course of instruction prescribed in the regular curriculum of the University two professorships in which the leading objects shall be, without excluding other scientific and classical studies and including military tactics, in such manner as the General Assembly may prescribe in order to promote the liberal and practical education of the industrial classes in the several pursuits and professions in life."

President Battle in his HISTORY OF THE UNIVERSITY states: "The Trustees determined to sell at once at the market price, then fifty cents per acre for cash. G. F. Lewis for himself, and Fisher, Boothe, and Company of Detroit offered the following terms which were accepted August 22, 1867; viz., they were to pay at the rate of fifty cents an acre for the 270,000 acres. The scrip was to be delivered as paid for and the rest was to be held as security. Five thousand dollars was to be paid in ten days. On or before the first of March, 1868, five thousand more was to be paid. Within sixty days after Congress should rescind its resolution prohibiting the location of the scrip, the purchasers were to pay thirty thousand more and from time to time make further payments until the whole debt could be discharged within twelve months from the date of contract.

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The Board of Trustees at this meeting, August 22, 1867, authorized Kemp P. Battle to assign the scrip and deposit it in the National Bank of the Republic in New York to be delivered to Lewis as paid for.

At this same meeting Ex-Governor Graham moved "that as Congress authorized the investment of ten percent of the proceeds of the scrip in purchase of sites of colleges and experimental farms, and as the University furnished the site, thirteen thousand five hundred dollars of the first purchase money should be applied to general expenses.

"Secondly, that as the General Assembly had been prohibited by military order from meeting in consideration of the exigencies of the Treasury, the Board deemed it necessary to act without the previous assent of the Assembly and relies for its ratification at the next session of the Legislature. Both motions were adopted." (The Morrill Act specified that the Legislature must approve expenditure of land scrip funds for the purchase of land.)

Dr. Battle continues: "The cash thus paid to the officers of the Institution relieved them of painful straits. There was some criticism of Governor Graham's resolutions as not being good law, but practical men realize the necessity for such action. As he said in his advocacy, 'Public servants must sometimes take responsibilities and go beyond their instruction, and trust that their action will be approved by the proper authority.' Afterward when Attorney E. G. Haywood advised the Board, elected under the Reconstruction Act of Congress, that the Trustees who passed the resolution could be forced to refund the money, Chief Justice Pearson strongly advised that public officers acting in good faith could not be personally responsible in a case like this. His advise was taken; no suit was brought."

The Reconstruction Legislature of 1868 appointed a new Board of Trustees for the University, and R. W. Lassister was elected Secretary and Treasurer. He proceeded immediately to try to rescind the contract with Lewis. In the minutes of a meeting of the Board of Trustees he records at length his argument against the contract. He questioned the price of fifty cents per acre since the Government had an established price of \$1.25. His main contention, however, was that the contract was conceived in fraud. The University was unable to pay salaries and this situation was discussed with Lewis when he came to Chapel Hill to negotiate with the Board in August, 1867. He quotes from letters from Lewis in an effort to show that Lewis knew

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that the Board was going to misuse the receipts to pay salaries illegally and, therefore, was a party to the fraud.

The Board authorized Lassister to go to Detroit, employ counsel, and cancel contract. As stated by Dr. Battle, this effort was in vain.

Lassister reported to the Board at a meeting on November 16, 1868, that \$10,040.00 had been received from Lewis and Company.

On July 14, 1869, the Trustees passed the following motion:

"Resolved that R. W. Lassister, Treasurer of this Board, be authorized to receive from the National Bank of the Republic in the City of New York, the sum of \$125,000 or any other sum paid or deposited in that bank to the credit of or in trust for the Trustees of the University of North Carolina under a contract with George F. Lewis and Fisher, Booth and Company respecting the sale of Agricultural College Land Scrip, and that he invest said sum in United States Bonds in the name of the Trustees of the University of North Carolina.

"Resolved further that said Lassister be and he is hereby authorized on the receipt of any sum not less than \$125,000 from said bank to release said Lewis and Fisher, Booth and Company and said bank from all further liability from or arising out of said contract.

R. W. Lassister, Sc."

One week later, July 22, 1869, the Board met again and passed the following: "Judge Rodman moved to amend the resolution adopted at the last meeting directing the Secretary and Treasurer to invest the proceeds of the Agricultural Land Scrip in United States stock so as to authorize that Office to invest said proceeds in Bonds of the State of North Carolina, the said officer to exercise a sound discretion in making the investment. The motion was seconded by Judge Pearson and was unanimously adopted.

W. W. Holder, President

R. W. Lassister, Secretary"

No information is recorded as to why the change in orders regarding the bond investment. (see statement at end Page 14)

Lassister again went to New York where he met Lewis. He reports considerable argument with Lewis and the Bank as to how much has been received in payment. A bank statement shows a balance to the credit of the University on September 10, 1869, of \$122,040. Lassister order^{ed} the Bank to retain 36.5 pieces (sections) of scrip until Lewis paid \$3,000 more. On November 30, 1869, he did receive from the Bank for this scrip \$2,920. This with previous payments amounted to \$135,000 or fifty cents per acre for 270,000 acres. Lassister tried to
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get the Bank to pay interest on bank balance held for a year or more but was unsuccessful. Lassister reported at a meeting of the Board on December 1, 1870, that he invested most of the \$2,920 in Special Tax Bonds and left a small balance with the National Bank of the Republic. Neither the Bonds nor the balance were found reported in subsequent reports.

Acting on authority of the Board at a meeting on July 22, 1869, Lassister purchased through a Brokerage House in New York \$40,000 of Old North Carolina Railroad State Bonds, \$40,000 of New State Bonds, and \$160,000 of Special Tax Bonds for which he paid \$120,000 plus \$441.67 accumulative interest.

There was much criticism of the Special Tax Bonds which has been authorized by the Reconstruction Legislature of 1868 and were repudiated by Act of the Legislature on October 8, 1869. No interest was paid on any of the Bonds; and after the passage of the Repudiation Act, the market value of the Bonds went rapidly down to zero. Thus, through diversion of part of the money for general expenses and the remainder invested in worthless bonds, the total Land Scrip Fund was lost as an endowment. For lack of finances, the University closed in 1869 and did not reopen until 1875.

In the meantime, the Legislature passed an Act providing for a new Board of Trustees to be elected by the Legislature. A number of members of the Board prior to 1868 were elected to the new Board. Steps were taken immediately looking toward the securing of finances necessary to the reopening of the University. To that end, a "committee, on motion of Ex-Governor Graham, was appointed to memorialize the General Assembly to restore to the University the principal (\$125,000) of the Land Grant Fund, which had been impaired by the investment by the late Board largely in worthless Special Tax Bonds."

The memorial of the Trustees, written by Chairman Graham, was duly submitted to the General Assembly, then in session. The case of the University was strongly argued by the distinguished Chairman and is of peculiar interest as being his last State paper. He showed what the University had done in the past, its forlorn condition then, and the necessity of reviving it. He then sketched the history of the Land Scrip, that it was given to the University on the condition that two professorships to teach the branches of learning relating to Agriculture and the Mechanic Arts, should be established; that the

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Scrip was sold by the Board which expired in 1868, for the market price at that time, fifty cents an acre, the same obtained by Pennsylvania and New York, and three cents less than Ohio and five cents more than Rhode Island; that \$125,000 of the amount went into the hands of the recent Board, who had invested it in special tax bonds, and others, though unquestioned, on which the State is not paying interest; that the General Assembly in accepting the Scrip agreed to replace it if lost, if not, to restore it to the General Government. The petitioners therefore ask that \$7,500 - the interest on \$125,000 - be paid to the University annually.

"The bill to carry into effect the memorial for paying interest on the \$125,000 Land Grant Fund was introduced in the House of Representatives on February 27, 1875, by Mr. Nereus Mendenhall, of Guilford, a worthy member of the Society of Friends, a veteran teacher of high reputation. It was referred to the Committee on Finance, of which Col. Samuel McDowell Tate was chairman. Messrs. D. M. Carter and K. P. Battle, in pursuance of their appointment by the Trustees, asked and obtained leave to address the committee on behalf of the bill, and were respectfully heard.

"On March 2 Mr. Tate, Chairman, reported the bill with the chilling statement that 'the committee were divided, a portion recommending its passage.' It was made a special order for March 4, subsequently changed to March 9, when it was again postponed to March 11. These postponements were at the instance of friends of the measure, who were laboring to mitigate the intensity of the hostility threatening to be fatal.

"All familiar with the temper of the public mind at that time toward appropriations, especially towards anything like paying interest on the public debt, or aiding higher education, will realize that if nothing had been done by the Trustees the bill would never have seen the light. Accordingly, with the approval of all, and at the request of many Trustees, the Secretary and Treasurer spent several weeks in the unpleasant business of lobbying for the measure. The surviving members of the General Assembly will bear witness that he used no argument, not even to the value of a cigar or glass of lemonade, other than earnest pleading for higher education. His work was chiefly with the friends of the University.....

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"On the 11th of March the bill failed to pass the second reading by a vote of 41 to 58. Mr. Norment, who voted with the negative for the purpose, moved to reconsider. The motion to table this failed, 48 to 54, and the motion to reconsider prevailed by 58 to 46, and the bill was made a special order for March 15th.

"On this day the friends of the measure hoped that they could pass it without a division, but the Speaker decided it was lost on the ye and no vote. A motion to reconsider was at once carried, 61 to 31, and then the bill passed its second reading by the handsome majority of 53 to 43.

"Ordinarily the chief opposition to a measure is put forward on the second reading, but such was the animosity to this measure that every effort was made to defeat it on the third reading, which was set for March 17. Amid breathless excitement, surrounded by crowds in the lobby and galleries, fifty-one members recorded their votes in the affirmative and fifty in the negative. The fate of the University hung on one vote. Great credit is due to John N. Isler, of Wayne, who gave his support and induced two others to do the same. Judge MacRae, ever watchful, at once moved to make the triumph irreversible, and succeeded, by 59 to 38, twenty majority. After this several members were allowed to record their votes, so that the journal shows 51 to 48.

"Two incidents, of which I am personally cognizant, will show the perils surrounding the measure. The first was caused by the intense hostility of many members to the Special Tax Bonds. As first drawn the bill ordered the University, as a condition precedent to receiving the State's bond for \$125,000, to surrender the Special Tax Bonds to the State Treasurer to be burnt by him. The opponents of the bill thundered against this as an implied recognition of the bonds. Some friends were shaken by their argument. A hasty conference of Messrs. Sion H. Rogers, George V. Strong, and myself with these doubting legislators, was had. The bill was altered so as to read, 'and the said Special Tax Bonds, being unconstitutional and void, shall be burnt by the Trustees of the University.' This satisfied the doubters. Without the change the bill would have been defeated. The other danger was of a personal nature.

"The friends of the bill had induced a few members who felt bound to vote 'No' not to do so when their names were called, but after the roll was finished, in the fond hope that some waverers might like to be with those who seemingly were triumphant. An excellent gentlemen,
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Mr. A. A. McIver, of Moore, a relative of Superintendent Alexander McIver, said: 'Mr. Battle, I wish your bill to pass. My kinsman, Dr. Alexander McIver, has explained to me its merits. If necessary it shall have my support. But my constituents are opposed to it, and in deference to them, if I am not needed, I will vote 'No.' Then so many members silent at first, followed his example, that there was a majority in the negative. Turning with a comically wry face, before the result was announced, he whispered, "I've got to do it." 'Mr. Speaker, I ask leave to change my vote. I vote Aye!!' And I wish to record, in memory of my ancient friend and deskmate, Col. Rufus L. Patterson, of Salem, our Chief Marshal of 1850, and graduate of 1851, then a Trustee, that the member from Forsyth, Dr. Wheeler, a few minutes before the vote was taken, said: 'I intend to support your bill. I have just received a letter from one of my constituents, Colonel Patterson, which convinces me that it is right.' And the bill passed by only one vote!"

The bill passed the Senate on third reading on March 20, 1875. In complying with the act restoring the Land Scrip Fund to burn the Special Tax Bonds, the Board of Trustees appointed a committee "to perform this holocaust." The committee reported that they destroyed by fire \$160,000 of such bonds on August 19, 1875.

It will be recalled that Secretary-Treasurer Lassister of the Board from 1869 to 1874 had charged that the sale of the land scrip was fraudulent. The Board of 1875 had some difficulty in getting settlement with Lassister, especially as regards the return of the Bonds. It was found that \$20,000 in bonds was pledged to the State Board of Education for a loan of \$6,000. It was further found that Lassister had pledged \$5,000 in bonds to a State bank for an advance of \$400 with which to pay his (Lassister's) salary. The Board tried to get the return of the securities, and the minutes of the Board of May 5, 1875, showed that the Bank offered to make such return if balance of about \$380 was paid. The Board then brought suit against Lassister's Bondsman. The Treasurer's report to the Board showed a credit of "judgment" from Lassister and sureties of \$4,000 January 30, 1883.

The pledging of land-grant securities for loans was illegal under the terms of the Federal Land-Grant.

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The Act restoring the principal of the Land Scrip directed the State Treasurer to issue to the Board of Trustees a Certificate of Indebtedness. The original certificate has not as yet been located, but the following copy is taken from the minutes of the Board of Trustees:

Copy of Certificate of Indebtedness

State of North Carolina
Treasury Department

Raleigh, April 19, 1875

In compliance with the provisions of an Act of the General Assembly of North Carolina, entitled "An Act in Relation to the Land Scrip Fund for Establishment of Colleges for the Benefit of Agricultural and Mechanical Arts," ratified 20th day of March, A.D., 1875, it is hereby certified that the State of North Carolina is indebted to the Trustees of the University of North Carolina in the sum of one hundred and twenty-five thousand dollars, bearing interest from the 1st day of January, 1875, with interest at six per cent payable semi-annually on the first day of July and January in each year.

Given under my hand and the seal
of the Treasury Department on
the date above written

D. A. JENKINS
State Treasurer

This appropriation of \$7,500 per year was the first regular annual appropriation by the Legislature to the University of North Carolina.

The Board of Trustees met on May 4, 1875, for the purpose of reorganizing and reopening the University. Various plans were considered, but finally a plan was unanimously adopted providing for six colleges. One was to be Agriculture and that divided into three schools: (a) Scientific Agriculture, (b) Practical Agriculture, and (c) Horticulture.

Another college was to be Engineering and Mechanic Arts and this divided into (a) Mechanical Engineering, (b) Civil Engineering, (c) Mining, and (d) Military Science and Tactics.

The establishment of these two colleges was an effort on the part of the Board of Trustees to satisfy the people that the purposes of the Land-Grant Act of 1862 were honestly carried out. President Battle argued then and until twenty years later that the purpose of the Act was "to teach not agriculture and mechanic arts, but the branches of learning related thereto."

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The argument of President Battle that the Land-Grant Act called for the teaching of branches of learning related to Agriculture and Mechanic Arts did not satisfy leading farmers and others interested in a more liberal educational opportunity for those interested in agriculture and industry.

In the Fall of 1876 the State Grange made inquiry of President Battle as to how the \$7,500 Land Scrip fund was being used. Dr. Battle admitted that the University was teaching only theoretical and not practical agriculture. His explanation quieted the criticism for several years. However, few students registered in Agriculture or Engineering and the list of graduates during that period does not show any in Agriculture. By 1885 the demand for a practical College of Agriculture and Mechanic Arts again became insistent. One of the most outstanding leaders of this movement was Col. Leonidas L. Polk, first Commissioner of Agriculture and founder of the PROGRESSIVE FARMER. Through his paper and at many meetings and in every way possible, he advocated the establishment of a "farmers' college." The following ^{caustic} editorial in his PROGRESSIVE FARMER, August 25, 1886, indicates some of his strategy: "After a period of eleven years of laborious effort, and with an expenditure of \$85,500 of money given our people by the Government, we have at last succeeded in getting a 'College of Agriculture and Mechanic Arts'!"

"It is a model of architectural beauty and admirably equipped in all its departments. It is located on the forty-eighth page of the catalog of the University. The catalog says that 'two courses are offered' in this elegant paper college. 'Offered' is a good word! These 'courses' we presume, have been offered to our farmer boys for these eleven years, but we search the catalog in vain to find one who has availed himself of the offer.

"We make no war upon the University. We want to see it rise until it shall stand the equal of any similar institution in all the land, but an earnest conviction of duty to the farmers in our state shall enlist our utmost effort until we see that justice is done them in this matter. We need an agricultural college for the practical training of the children of our farmers and other industrial classes, and there is but one way to get it - build it with the money given us by the government for that purpose. How are we to get it? By electing a legislature that will give it to us!"

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The efforts of Col. Polk ably assisted by many other leaders of all professions culminated in the introduction of a bill in the Legislature of 1887 to establish an Agricultural and Mechanical College to be located at Raleigh, and directing the transfer of Land Scrip funds from the University at Chapel Hill to the new institution. President Battle, on instruction from his Board of Trustees, eloquently opposed the bill but without success. The bill finally passed March 7, 1887, and the new institution thus became the Land-Grant College of North Carolina.

Soon after the University Board of Trustees received the Land Scrip funds, the question of technical education for Negroes was discussed and a committee appointed to locate a site for such an institution. The committee made some recommendations, but for lack of funds the idea lapsed. However, in 1890 Congress passed the Second Morrill Act appropriating additional funds to the Land-Grant Colleges. No time was lost in advancing the claim of the North Carolina A. and M. College for these new funds. Immediate payment was questioned because North Carolina did not offer technological instruction for Negroes. To meet the requirements of the law, President Holladay and the Trustees made arrangements with Shaw University in Raleigh for A. and M. College professors to give technical courses to the Negro students of that institution. For a short time at least this seemed to satisfy the technical legal requirements. In 1891 the State established the Negro A. and T. College at Greensboro, and the funds coming to the State from the Land-Grant Acts of Congress were divided between the two institutions in proportion to total population, approximately 30% to Negroes and 70% to whites.

We, therefore, have two Land-Grant Colleges in North Carolina.

Judge Rodman who made the motion to purchase N C Bonds, Page 7, was a member of the Supreme Court. The Court on July 21, 1869 declared the bonds legal. The legislature on October 8, 1869 repudiated the bonds.

Jonathan Daniels in his book Prince of Carpetbaggers states on Page 214, "Swepson put up the margin for a \$100,000 speculation in the bonds by Judge Rodman ---"