

miralty Court awarded the prize money as follows, three-fourths to the "Convention" and "Gerard" and one-fourth to the seamen. If it had not been for Arnold there would have been no further trouble, but he was greedy; he wanted more than one-fourth of the proceeds. He was then in good repute as an American officer, and was not suspected of the rascality which was afterward discovered to have been perpetrated by him. He went to Congress to obtain the passage of a resolution by which that body undertook to revise the decision of Judge George Ross in the Admiralty of Pennsylvania, and ordered the latter to make a new decree and turn over all the prize money to Olmstead and his companions.

STATE RIGHTS VS. CONTINENTAL RIGHTS.

Then arose what was probably the first controversy in America about State rights. Pennsylvania denied the authority of Congress to interfere with the judgment of a State Court, and Judge Ross refused to make the order. The manner in which David Rittenhouse became involved in this controversy was by reason of being Treasurer of the State of Pennsylvania. Under the decree of the Court, the three-fourths part of the money was paid, one portion to the owners of the "Gerard" and the other to the State of Pennsylvania as owners of the brig "Convention." The fourth, which was awarded to Olmstead and his companions, was paid into the State Treasury and received by Treasurer Rittenhouse. As he was personally liable for the money he retained it to save his bond, and the money was in his possession at the time of his death. The seamen, or persons representing them, had brought a suit against him which was decided against them. In 1803 the Legislature ordered Mrs. Sargeant and Mrs. Waters, as executrices of their father, to pay the money which they held into the State Treasury, pledging them the faith of the Commonwealth to hold them harmless from all consequences. They