

During the present fiscal year bonds of the State to the amount of over \$1,200,000.00 will fall due, bearing interest at the rate of 6 per centum per annum, which we hope and have reason to believe will be readily exchanged under the Act of Assembly above referred to, at a rate of interest not exceeding 3 per centum per annum.

When this shall have been accomplished there will be an annual saving to the Treasury in interest of over *fifty-four thousand dollars.*

THE DEAF AND DUMB LOAN.

The refunding of \$100,000 of the Deaf and Dumb Loan which forms a part of the \$628,000.00 above referred to, has been objected to by some, because the tax for its payment had been collected and the money, or its equivalent, should be in the Sinking Funds for its redemption.

To form a correct view of the matter, we must take into consideration the condition of the Sinking Funds when I entered office.

In January, 1884, when I became Comptroller, I found that no investments had been made on account of the Deaf and Dumb and Maryland Hospital Loans.

The Legislature had otherwise appropriated funds applicable to that purpose.

These debts amounted in the aggregate to the sum of \$690,000.00 and a portion was nearly due.

It was felt by the Treasury officers that steps should be taken to maintain the Sinking Fund for these loans, and to provide a fund with which they could be paid if need be at maturity. This was done by taking from the investments of the State by authority of the General Assembly, bonds to the amount of \$366,000.00 and carrying them to the credit of the fund for the redemption of these debts.

The Treasury officers during my administration have secured \$465,000.00 of the bonds of these loans with cash taken from the Treasury, and we expect soon to secure \$125,000.00 more, making in all \$590,000.00.