

cent per bushel on Oysters, and suggest that the subject be considered with a view of making such change as in your judgment, will render this part of the law more efficient.

#### ASSETS.

The State's Capital and Credits, as of September 30, 1901, are shown in statement "I." The stock of the Washington Branch of the Baltimore & Ohio Railroad Company, amounting to \$550,000, and the \$1,500,000 mortgage of the Northern Central Railway Company are still continued in the productive column notwithstanding the fact that dividends have been passed on the former since 1896. In my judgment this is a most valuable security and under the authority contained in Joint Resolution No. 10, of 1900, the Attorney-General has taken "such proceedings as shall be adequate and proper for the fullest assertion and protection of all rights of the State." The mortgage of the Northern Central Railway Company has already been fully alluded to in these remarks.

#### STATE DEBT.

The funded debt of the State at the close of the fiscal year, as shown in statement "J" is, \$6,509,326.13, an increase of \$200,000 over the year previous. This increase, has been fully explained in these remarks, by the issue of the remainder of the \$500,000 loan known as the "State Building and Improvement Loan." The net debt of the State in said statement on September 30, 1901, is shown to be \$2,662,344.29, which is an actual reduction since January 1, 1900, of \$225,698.66, which reduction would have been, during the same period, \$725,698.66, except for the issue of the \$500,000 loan authorized by the Legislature of 1900 as per Chapter 607.

While in statement "J," the gross funded debt is \$6,509,326.13, the offset to this debt, consisting of stocks and bonds (at their par value) together with cash standing to the credit of the sinking funds, aggregates \$3,846,981.84, leaving the net debt as above stated, \$2,662,344.29. The securities so held by the State are highly valuable and, in my judgment, if a proper price were obtained for them the tax of 4½ cents on the \$100 levied to pay the