

in question, were not authorised by the act of May, 1836, ch. 395, nor by the charters of incorporation of the Chesapeake and Ohio Canal Company, and the Baltimore and Ohio Rail Road Company; and are contrary to the general principles and policy of the law.

Your committee might enforce their conclusions, by referring to various adjudications, made by courts of the highest authority. But this labor seems unnecessary, as they rest on principles emphatically, of common law. Indeed, your committee infer, from the report of the commissioners lately made, that the illegality of the contracts is conceded. Not one word is said in favor of the authority of the commissioners to sell, nor of the power of the companies to purchase: but the whole report assumes the aspect of an apology, in which the departure from clear law, is attempted to be excused by the advantages which were to be derived from its violation.

The contracts being illegal, it is to be enquired whether the State shall avail herself of her right to repudiate them: If the companies have no power, by their charters, to purchase, the power cannot be conferred by an act of this Legislature alone, nor could the State safely ratify such contracts. The contracts are absolutely void. They cannot be enforced against the companies. An attempt to execute them on the part of the companies, would be a forfeiture of their charters, which might be exacted by any of the States by which such charters were granted. It is evident then, that the interest of the State, and the interest of the companies, would be equally promoted by rescinding those contracts.

Other considerations of expediency, concur in the same conclusions. The Legislature of 1836, did not contemplate the possibility of a sale to the companies, whose distresses had excited public commiseration. It could not have been supposed, that companies, whose credit were, at the time of passing the law, at its lowest ebb, should so soon acquire the means of dealing in stocks, to the amount of millions. Equally inadmissible would have been the supposition, that the companies would borrow money to invest in the purchase of those stocks, for the purposes of speculation. It is to be remembered, that the whole amount of the purchase money, is required to be paid into the treasury, and when there deposited, is subject to the requisitions of any other company mentioned in the act; and that the payment to the two principal companies, could not exceed the sum of one million of dollars a year. Assuming then, that the contract between the Chesapeake and Ohio Canal Company and the commissioners, should be affirmed, these results may follow:—the whole, or the greater portion of the money, might be drawn by the Baltimore and Ohio Rail Road Company, and other companies mentioned in the act; and if not so drawn, one million would be returned to the companies in the first year, another million in the second year, and the remaining million in the third year from the date of the contract.— Could it have been intended, that monies raised on the credit of