

and treasurer, or any two of them, to sell from time to time according to their best judgment all the State's interest in the works of internal improvement. That second proviso allows them to sell for the best price they can obtain. If the Baltimore and Ohio Railroad stock is above par, they will sell for that. If the stock of the Chesapeake and Ohio Canal is below par, as it is, then they are authorized by both propositions to sell for such sum as they can obtain for it, according to their best judgment. My limitation upon the sale, however, is that it shall not take place unless the proceeds of the sale can be converted into a like amount of the public debt. That is, if the sale of these public works realize five millions of dollars, the sale shall not be perfected unless with those proceeds we can retire five millions of dollars of the public debt of the State.

Now I ask the convention for one moment to consider what interest the State has in these works of internal improvement. For it is necessary to a proper understanding of this subject that we should know exactly what we are dealing with. The State interest in the Baltimore and Ohio Railroad consists, first, of stock in the main branch to the amount of \$891,200; in the Washington branch of \$550,000; total \$1,441,200. Then the State owns the bonds of the Baltimore and Ohio Railroad to the amount of \$260,000. Then the State owns stock of the Baltimore and Ohio Railroad to the amount of \$2,372,222.22, upon which the Baltimore and Ohio Railroad Company pays the interest in London. Then the State owns of converted stock, \$901,450. Making the entire interest of the State in that work, including both the main stem and the Washington branch, \$4,974,872.22; nearly \$5,000,000.

Now, according to the proposition submitted by the gentleman from Kent (Mr. Chambers), that that would be the only stock that the State owns in any of these works of internal improvement, which could by any possibility be sold. Because the limitation in his proposition is, that it "shall be the duty of the legislature to provide by law for the sale to the highest bidder of all or such part of the stock owned by this State in any railroad or canal company, as can be sold or exchanged for not less than an equal amount of the present public or stock debt of the State." Therefore, under his proposition, looking to the present prices of stock in the market, there could nothing be sold except the interest of the State in the Baltimore and Ohio Railroad, because that is the only stock which by any possibility could be converted into or exchanged for an equal amount of the present public debt of the State. And that would then leave the State in possession of the unproductive stock in the Chesapeake and Ohio Canal, the Tide-Water Canal, and the various Eastern Shore railroads.

Now our propositions allow the sale of all these unproductive stocks for whatever price can be obtained for them; and also for the sale of the State's interest in the main stem and the Washington branch of the Baltimore and Ohio Railroad, provided that whatever amount may be obtained in the market for those stocks can be converted into a like amount of the public debt of the State.

Now what are the unproductive stocks of the State? The State owns the bonds of the Ohio and Chesapeake Canal to the amount of \$2,000,000; loaned to the president and directors of the Potomac Company, \$30,000; interest, \$13,280; stock of the Potomac Company, \$120,000; Chesapeake and Ohio Canal Company's stock, \$5,000,000; Annapolis and Elk Ridge Railroad, which is entirely unproductive, \$294,000; Maryland and Delaware Railroad Company, a new company, and just incorporated upon the Eastern Shore of the State under provisions of a law recently passed, \$45,000; Eastern Shore Railroad, \$86,000; Philadelphia and Baltimore Central Railroad, \$2,500; Nanticoke Bridge Company, \$4,300; Chesapeake and Delaware Canal Company, \$50,000; Chesapeake Steam Towing Company, \$25,000; then the interest due on the Chesapeake and Ohio Canal Company, \$9,000,000; Penitentiary, for premium, principal and interest, \$5,000; stock of the Elkton Bank of Maryland, \$10,000; stock of Eastern Shore Railroad, \$39,000; Susquehanna and Tide-Water Canal Company, for interest, \$95,000.

Under the proposition of the gentleman from Kent, all these unproductive stocks would be left upon the hands of the State, without any power to sell or dispose of them, because it is utterly impossible that they can ever be converted into a like amount of the public debt of the State.

The Chesapeake and Ohio Canal, a few years ago, made a proposition for the sale of the interest of the State in that company, and there were persons here at the legislature bidding a very large amount for it, some two or three millions of dollars, I do not remember which. And the interest of the State in the other works, in the Annapolis and Elk Ridge Railroad, for instance, I have no doubt would be sold for quite a considerable sum of money, for the purpose of getting rid of the State direction in that company. I know that the stock of that railroad company, which is not worth more than five dollars a share in the market, has been recently sold for a very large amount, in order to get hold of the stockholders' direction of the road. Put the State stock in this railroad company in the market, and let the persons who now have control of the road compete with those who want control of it, and you will find that it will sell for quite a considerable sum of money.

Mr. STIRLING. I would like to know what