

The duties imposed upon this Office by the several Bounty Acts, have been exceedingly onerous and complicated. The many defects in the Acts referred to, together with the reckless action in several instances, of officers, in the authentication of claims, and in certifying to the identity of claimants, greatly increased the difficulties surrounding the settlement of these claims.

In the disbursement of so large an amount, in sums ranging from fifty to three hundred dollars, the hope was scarcely entertained that this Office would be entirely successful in defeating fraudulent claims. Many were presented, but by the exercise of care, and the use of other means in the possession of the Office, they were generally detected; so that the amount of fraudulent claims paid directly from this Department, does not exceed two thousand dollars. In the year 1864, under the provisions of the Acts of that year, a large sum was placed in the hands of the County Commissioners of the several counties, and the City Register of Baltimore, for the payment of bounty to white and free colored Volunteers. Payments of the bounty were made by them to colored Volunteers appearing on their rolls as free, who, as it was afterwards ascertained, were slaves at the time of their enlistment, and only entitled to one hundred dollars, and not to two hundred and fifty dollars—the amount paid. The loss on this account, so far as ascertained is about \$7,000. Its extent cannot be fully determined until there is a settlement with these officers.

EASTERN SHORE RAIL ROADS.

There was paid during the fiscal year on account of the State's subscription to the stock of certain Rail Roads on the Eastern Shore, made by virtue of the Act of 1860, chapter 303, the sum of \$137,852.75, as follows:

To the Eastern Shore Rail Road Company.....	\$66,607.75
Maryland and Delaware Rail Road Company.....	56,245.00
Philadelphia and Baltimore Central Rail Road Company.....	15,000.00

The balances due the Philadelphia and Baltimore Central and Eastern Shore Companies, have been paid in full. There was due, at the close of the fiscal year, to the Maryland and Delaware Company \$15,105.00.

The Kent County Rail Road Company having complied with the requirements of the Act of 1860, the Treasurer, on the part of the State, has subscribed to its capital stock to the amount of \$101,525.