heavily in the defunct Potomac Company, the Susquehanna Canal (chartered by Chapter 29, Acts of 1783 and fallen into disuse by 1812), and the Chesapeake and Delaware Canal (first begun in 1804, abandoned, then completed in 1829). Internal improvements brought Maryland to the brink of bankruptcy. From 1826 to 1840, the State went an additional fifteen million dollars into debt financing canals and railroads, always hoping for a return on the investment. In 1840, Maryland was unable to meet interest charges on its debt. Skillfull juggling, retrenchment in government, and new taxes averted a crisis, and by 1848, the State resumed payment on its debt, never again to plunge into internal improvements on such a scale.

The last half of the nineteenth century was dominated by the railroads. They spread over the State, brought obsolescence to canals, and maintained Baltimore's prominence in trade. State involvement in railroads and canals had waned, but Maryland still owned significant amounts of stock, and the Constitution of 1867 provided for the Board of Public Works to review tolls, appoint directors for certain railroad and canal companies, and vote the State's stock in the Chesapeake and Ohio Canal Company. The legislature was swamped with requests for railroad legislation, to amend railroad charters, grant rights-of-way and track extensions, and deal with other operational details. Despite rail dominance, the State Railroad Administration was not created until 1978.

Meanwhile, the emergence of the automobile posed problems for the State. Not only were existing roads inadequate for automobile traffic, but also a system of regulation was necessary. As of 1904, motor vehicle owners registered in the office of the Secretary of State in Annapolis (Chapter 518, 1904). Upon payment of a one dollar fee, owners were issued a certificate and required to place their number on the vehicle in a conspicuous spot. Required safety measures included two front lighted lamps, one rear red light, good brakes, a bell, horn, or other signalling device, and a means of locking the starting mechanism. The first speed limits were set at ten miles per hour on the open road and six miles per hour on sharp curves, at intersections, and in town. Chapter 518 also was concerned with automobile etiquette upon meeting horses or other animals, either ridden or driven. The next motor vehicle law passed in 1906 was more explicit, requiring drivers to stop their vehicles upon request of women and children riding or driving horses or other draft animals and assist them in getting by the automobile. The 1906 law made it illegal for anyone to "hurl stones or other missiles" at automobiles, raised the speed limit to twelve miles an hour, and increased the registration fee to three dollars, two dollars of which went to the State road fund (Chapter 449, Acts of 1906). In 1910, the responsibility for registering automobiles was shifted from the Secretary of State's office to the new Commissioner of Motor Vehicles (Chapter 207, Acts of 1910). Rules of the road proliferated and the speed limit gradually crept up, but enforcement was limited until 1914, when the Commissioner of Motor Vehicles began hiring motorcycle deputies to enforce motor vehicle and traffic laws throughout the State (Chapter 564, Acts of 1914). These motorcycle deputies ultimately became the Maryland State Police with jurisdiction over both criminal law and traffic law in 1935, although the operating expenses for the new Department of Maryland State Police continued to be paid out of revenues from the office of the Commissioner of Motor Vehicles (Chapter 303, Acts of 1935).

Agitation for better roads came from farmers prior to 1900. The legislature heeded their appeal by authorizing the State Geological and Economic Survey to investigate the condition of roads throughout the State and estimate the cost of improving them (Chapter 454, Acts of 1898). An 1899 report of the Survey described the massive effort necessary to upgrade Maryland's highways. The Survey acquired a Division of Highways in 1904 to assist counties with plans, specifications, and estimates for building or improving their roads. Such roads were required to have a macadamized or stone surface, and an annual State appropriation of \$200,000 was apportioned to the counties according to the proportion of existing public roads in each county, The Survey oversaw construction and the State paid up to half the cost of each project, but the counties were responsible for their share of construction costs and for maintenance on all roads so built and could lose State funding for additional projects if maintenance failed to meet Survey specifications (Chapter 225, Acts of 1904). This act was the first step towards State responsibility for roads. The growing number of automobiles intensified the need for better roads while their registration fees provided new revenue to apply towards roads. The General Assembly in 1908 created the State Roads Commission with broad powers to construct, improve, and maintain a State system of improved State roads and highways and borrowed five million dollars for a seven-year construction program (Chapter 141, Acts of 1908). The State Roads Commission began first by paving roads, then widening them and removing railroad crossings. Encouraged by federal aid for highway construction, initiated by the Federal Cooperative Extension Act of 1914, Maryland implemented long-range highway building projects. In a 1922 executive reorganization, the State Roads Commission became the head of the Department of Public Works (Chapter 29, Acts of 1922). In 1937, the Commission was authorized to embark on a bridge and runnel construction program financed by tolls to be collected on the completed projects (Chapter 356, Acts of 1937). This led to the Susquehanna and Potomac River Bridges, the Baltimore Harbor Tunnel, and the Chesapeake Bay Bridge.