

tions in fundamental provisions of the charter of the Company, as well as for the payment of every dollar which the State has claimed as due to the date mentioned in the bill.

It confers no other right or privilege upon the Company than the majority of the Senate is believed to be willing to grant, if such rights and privileges are asked for by a separate bill, proposed after payment made by the Company of the very sum which this bill provides the Company shall pay, before it shall enjoy such rights and privileges.

The undersigned believes that this adjustment will be satisfactory to the people of the State.

The Finance Committee of the Senate is of the opinion that the dignity of the State is involved in the question; and that no arrangement, however satisfactory or advantageous to the State, ought to be made until the Company has paid into the Treasury of the State the sum of money which it alleges is due to the State.

Without entering upon this question, the undersigned submits to the judgment of the Senate that the considerations to which the majority of the Finance Committee has appealed have no connection with the pending discussion.

When the State of Maryland entered into that contract with the Baltimore and Ohio Railroad Company, which is embraced in the Act of 1832, chapter 175, and in the supplementary Acts, it laid down its sovereignty, and contracted only as a *corporation* with the Baltimore and Ohio Railroad Company. This is the exact scope and meaning of the judgment rendered by the Court of Appeals in 34 Md., p. 359. For, if the obligation be an *agreed* tax, as stated on page 372, *its creation was not an act of sovereignty, but of contract*, and the State has only such rights, under that contract, as are secured to it by its terms. *U. S. Bank vs. Planters' Bank*, 9 Wheaton, 904. *Bank of the U. S. vs. McKenzie*, 2 Brock, Marsh 393. 4 *Opinions Att. Gen.* 90—8 *Opinions Att. Gen.* 1.

The authorities cited amply illustrate the rule insisted upon in this report.

It seems, therefore, perfectly clear that if, in the judgment of the Senate, any part of the contract now existing between the State and the Baltimore and Ohio Railroad Company has become, or will soon become, oppressive and unreasonable, then the contract ought to be reformed, so as to adjust, by one act of settlement, all questions in dispute between the contracting parties.

This is the exact duty of those who are in charge of the