

ciently to provide for the support of the service, were questions which were left to the Legislature to determine.

The Legislature passed a new Oyster Law for the State, and therein provided for the retention of the service as then organized, but the revenues under it will be less than those we received under the old law, and will not be sufficient to maintain the present service by at least twenty thousand dollars a year.

It has not been our expectation to realize revenue for State purposes from the oyster industry, yet we think the people of the State expect that this interest shall at least be self-sustaining.

While the oyster interest has not, so far, been a tax upon the Treasury, and there remained at the close of the fiscal year 1886, the sum of \$141,964.08, as a credit to the Oyster Fund, yet that balance would be annually decreased should we not be able to maintain the service from present receipts.

I have no doubt, after the dredging season is over, that the Board of Public Works will devise some plan by which the expenditures for the fiscal year 1887 shall be kept within the current revenues from this source.

THE STATE DEBT.

The debt of the State is shown by "Statement J" to be \$10,960,535.56.

As an offset to this debt the State holds stock of the Baltimore and Ohio Railroad Company to the amount of.....	\$1,518,615 70
Stock in Farmers National Bank of Annapolis, amounting to.....	46,470 00
Stock of Annapolis Water Company.....	30,000 00
Bonds of Northern Central Railway.....	1,500,000 00
Bonds of the State, City of Baltimore and other good securities in Sinking Funds.....	1,752,290 18
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	\$4,847,375 88
To which add Maryland Hospital Bonds called in on 1st Oct., amounting to..	99,000 00
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And making to date an offset of.....	\$4,946,375 88