

this had been done, the Company was without credit or means of any kind to have carried on the operations of the road. Application was made to the Legislature for relief; and after a very full examination into its affairs, and its exoneration from all imputation or blame, (see *Report above referred to*,) and from a conviction that should its operations cease, the State and the public would be deprived of the benefits and conveniences to be derived (since realized) from the road as a connecting link between the State Capital and the Annapolis Harbor, and the Federal Capital and the Commercial Metropolis of the State, besides a total loss of the State's investment, the Act in question was passed. By it the Company was authorized to issue its bonds, to an amount not exceeding the sum of \$80,000.00, and by the Act of 1846, chapter 234, to a further issue of similar bonds, to amount of \$9,092.60, for the payments of its debts, the interest and redemption of the principal to be provided for out of the nett profits (if any) of the Company, and the seven-fifteenth parts of the profits of the State to be derived from the aggregate amount received by the Baltimore and Ohio Railroad Company for the transportation of passengers on the Washington Branch, in connection with the Annapolis and Elk Ridge Railroad, the bonds to be redeemable only at the pleasure of the State, or of the Company, until after the expiration of thirty years, when the faith of the Company was pledged for their ultimate payment. It is unnecessary to recite these provisions at length, the Committee having convenient access to them. They are susceptible of but one construction,—the construction not given by this Company merely—but by the State Treasurer, (acquiesced in always by the Legislature and Executive,) since the passage of the Law, that is to say—that if no nett profits could be declared or paid into the Treasury by the Company, then the burthen of paying them was to devolve on the fund provided by the State for the purpose. It was this feature of the Laws above cited, that gave the bonds a market value, and enabled the Company to discharge its obligations. Has the Company ever had the means to declare or pay nett profits? The Annual Reports to the stockholders, and the semi-annual Statements to the financial officers of the State, clearly and conclusively demonstrate by figures that it has not. The 19th section of chapter 123, 1826, made part of the charter of this Company by section 5, chapter 298, 1836, provides that the “President and Directors shall annually or semi-annually declare and make such dividends as they may deem proper of the nett profits arising from the resources of the said Company, *after deducting the necessary current and probable contingent expenses.*”

The Comptroller, it would seem, has fallen into the error of inferring there was a balance of nett profits from the fact