

State for its vast investments in that stock. So far as that is concerned, it may be well and prudent for the State to sell. So with reference to the Tide Water Canal and some of the other internal improvement companies. But what would be done with the money? I ask the chairman of the committee, I ask the Convention, what would be done with the money which the State would receive for its interest in the Baltimore and Ohio Railroad. If it was sold for \$4,000,000 or \$5,000,000 to-day—I have not the tables before me to show the exact amount of interest the State would have—the Comptroller must, under this section, apply the amount to the payment of the public debt. He would have to go into the market and purchase up the public debt in order to pay it. How much of the public debt could he purchase with the \$4,000,000 or \$5,000,000 which the State may derive from the sale of its interest in this road? No one could undertake to say that at present rates the State could derive one-half the amount—the nominal amount for which it was sold—in liquidation of the State debt. The bond holders of the State have the right to hold on to those bonds until they become due and payable. They would hold on to them because the investment is secure, so that the Treasurer could not go into the market and purchase those bonds.

Look at the Comptroller's report even for the last year, and see what has been necessary in order to apply the increment to the sinking fund. He was unable to get the State debt, and he was obliged to go and invest it in other stocks which may or may not turn out to be profitable to the State. If we sell out our interest in such a dividend-paying stock, as the Baltimore and Ohio Railroad, it is a financial question, what shall we do with the money? Shall we use it in buying other stock? What other stock will pay better to the State of Maryland than the interest which she now holds in this work? I know of none in the market. I know of no investment which the State could make, better than its interest in this road, which would be as profitable in a financial point of view solely, as this present railroad stock, and the bonds which the State holds.

My amendments propose this: to give to the Legislature the discretion, first, not to impose it upon them as a duty and an obligation which they must carry out, but to leave it to their discretion that they may sell, they may pass laws; that there shall be nothing in this Constitution prohibiting them from doing it. Then the second amendment I propose is that the State may, in its discretion, sell the interest of the State in such internal improvement funds as it sees fit. The interest of the State in the Chesapeake and Ohio Canal probably would not sell for a large sum; and there would be less inconvenience in investing that money towards paying off

the public debt than if the sum was much larger. So with reference to the interest in the Tide Water Canal, and so in some of the Eastern Shore railroads.

But, if you impose upon the Legislature the obligation to sell all the interest of the State in the Baltimore and Ohio Railroad included, you will find that the Legislature at its first session after this Constitution is adopted, will be besieged by those whose interest it is to have this property sold regardless of the interest of the State, pressing a law providing for the sale of it, and pressing it through to the great detriment and loss of the State, in my judgment. I should be unwilling therefore to impose it as a duty upon the Legislature to do this thing, making it a constitutional duty. I am opposed altogether to selling the State's interest in all the public works of internal improvement. Some of them can be well enough disposed of; but others I think the State should hold on to irrespective of every other consideration, as a question of finance, as a question of the proper investment of the funds of the State.

There are, in my judgment, other considerations. The question has been before the people of the State, time and time again, whether or not it was for the interest of the State to part with its control over the Baltimore and Ohio Railroad, and to leave it entirely to the control of the private stockholders and State directors. The stock of that railroad company never has taken the market in Wall street, in New York, simply for the reason that the State itself holds a controlling influence in the direction of that company. There are grave considerations why it will be best for the State to retain its control over that internal improvement company, extending as it does from one end of the State almost to the other, so important to the interests of the city of Baltimore, so important to the interests of the State generally. I think it right that the State should hold on to its control of that great work.

Mr. SCHLEY. I do not know that it is incumbent upon me to answer the queries of the gentleman from Anne Arundel (Mr. Miller,) as to what disposition or investment is to be made of the proceeds of these public works after sale. The question of expediency, as to the conversion of the funds, I am not here to answer. Still, I may with propriety say this; that the stock in the Baltimore and Ohio Railroad as in every other railroad in this country, is more or less what is termed a fancy stock. It is liable to great fluctuations. It happens to be now, and will probably continue for some time, so long as this war lasts, above par. After that the great probability is that it will descend far below par. Assuming such to be the case, it will be advisable to sell while it is up. As to what shall be done with the proceeds in the interval, what shall be done