

State Department

October 5<sup>th</sup> 1846

To Thos. G. Harris Esq.

Sir

I have received your favour of this date, informing me that you are one of the Contractors for the completion of the Chesapeake & Ohio Canal, and asking to be officially informed by me; as to the present financial condition of the State and when the State will resume the payment of interest on her public debt.

It affords me pleasure to give you the information requested not only on your own account, but also and chiefly in consideration of the effect which your success in obtaining the means of completing the Canal, will have upon the members of the next Legislature in inducing them to fund the arrears of interest & thereby enable the State to resume the payment of the current interest on her public debt.

In reference to the first question, I can say that during the present fiscal year ending on the 1<sup>st</sup> of December next, there will be paid on account of this interest on the public debt at least one hundred thousand dollars more than the accruing interest for the same period. In view of the fact, that the Chesapeake & Ohio Water Canal Companies have failed to pay the interest on the bonds of the State loaned to those Companies (in consequence of repairs rendered necessary by the freshets of the present year) and in view of the fact that several of the tax laws have not as yet gone into effective operation, I consider this result most favourable, as furnishing conclusive evidence of the sufficiency of the existing tax laws to meet the current interest upon the entire debt of the State.

In reference to the question of resumption; I can only say that if the Legislature should at the ensuing session fund the arrears of interest & fix a day for the resumption of payment of the current interest the existing tax laws will in my opinion if properly executed be sufficient to enable the State to meet the payment in future of the accruing interest on the State debt. I regret that I cannot in the time allowed me, give you a more full and satisfactory reply to your inquiries.

With great respect your Obedt Servt  
Thos. G. Pratt