

failed to defray those expenditures in the sum of \$26,126; of this, however, \$7,646,37, do not properly belong to the ordinary expenses of the institution. The causes of this deficiency are fully accounted for by the Directors. They were foreseen, and emphatically set forth by them in two memorials, laid before the Legislature, in the months of February and March last, in which temporary aid was asked for, in a crisis of an all pervading extraordinary pecuniary distress. If this aid had been granted, the Institution would have been enabled, the Directors believe, to meet all its engagements. The sacrifices, moreover, arising from the forced sales of its manufactures, would have been prevented, and consequently the Institution would have required less assistance, at the hands of the Legislature, than will now be necessary, to enable it to resume its wonted course of general prosperity.

I will proceed, as briefly as may be, to lay before you a statement of the duties I have performed, as required of me by several laws and resolutions of the last General Assembly.

The Resolution No. 79 of Dec. session 1837, directs the appointment of a Commissioner "to repair to Harrisburg, Pennsylvania, and endeavor to procure the dismissal of the prosecutions pending against Nathan S. Bemis, Jacob Forwood, Edward Prigg and Stephen Lewis, citizens of Maryland," who had been indicted in April 1837, in York county, for kidnapping, and subsequently demanded by the Governor of the State of Pennsylvania, as fugitives from justice, "or to make such arrangements as may be necessary to refer the questions involved, to the Supreme Court of the United States, without compromising the liberty of the accused; and obtain such modification of the laws of Pennsylvania, as will preserve the rights of slaveholders, and cherish good will between the two States." Accordingly, on the 28th day of March last, by and with the advice and consent of the Senate, I appointed Jonathan Meredith, Esq. of the city of Baltimore, to execute the purposes contemplated by the resolution above recited. I herewith submit a letter (document marked E.) from Mr. Meredith, by which it appears that, immediately after his appointment, he proceeded to the seat of government of the State of Pennsylvania, and after an interview with His Excellency Governor Ritner, he thought it most expedient to postpone the further prosecution of his mission until the next meeting of the Legislature of that State, because the Legislature was about to close its session; and he was assured there was no probability, it would devote time sufficient for the settlement of the very important subjects upon which he was charged to negotiate. He was induced, however, by the Governor to believe that he would introduce them to the notice of the Legislature in his annual communication, at the opening of the next session.

The unhappy disturbances, which have recently prevailed in the government of our sister State, have deterred him from resuming the negotiation. Now however that tranquility is apparently re-