

was passed, that authorised said company to receive subscriptions to a stock, which should be deemed a separate stock, for the term of eight years after the completion of the road; and subsequently be blended with its original stock—and likewise gave to said company the right to borrow money for the purpose of constructing this branch road, still reserving to the State the right to take at its option, at par, and to hold forever, as a separate stock, any amount not exceeding five-eighths of the cost of said road—and without granting any present pecuniary aid from the State treasury.

These modifications still did not offer sufficient inducements or confer ability to command the means required for that enterprise, and the company found itself constrained at December session, 1832, to ask immediate aid from the State, in the form of a subscription to a separate stock; and as an inducement, proposed that the charge for conveying passengers should be raised from \$1 50 each, to \$1 75; and that the State should be entitled to one-seventh thereof, in addition to a rateable part of the profits of the enterprise, as dividends on its portion of the aforesaid separate capital stock.

The interests of Mrs. Smith were protected under these legislative proceedings, in any event—for if the State made the Washington rail road, as I wished it might, the location of the work through her lands would assure to her reasonable damages; and with the Baltimore and Ohio rail road company, I had agreed, in case the State did not undertake said work, that I would solicit for this company the right to make it, in preference to its being, again, given to the Washington and Baltimore turnpike company, or to any other company—for the consideration of its promising to give to Mrs. Smith a reasonable fixed indemnity, for the damages that she would suffer by the construction of that branch road, from a point of the main work, situate upon her land, which she had gratuitously allowed to be used for a very different purpose; and to be enjoyed, free from the expense of a very costly road culvert, through a high embankment on said land, that it was bound to make; but from which expense she had released this company by gratuitously waiving her claim to have said structure made.

Whilst the State plan was under consideration at December session, 1830, I advised its being adopted in preference to all others; but when it had failed, I next advised that the grant should be given to the Baltimore and Ohio rail road company; because in this, the people of the State of Maryland, and the citizens of Baltimore held *much stock*, and quite nine miles of its main road might be used as a part of the route, and the rest be constructed under provisions, that might assure to the State a reserved right to take at par, and hold forever, five-eighths of the cost of the whole work, as a separate stock; rather than to offer that grant again to the comparatively small number of persons who might choose or not, to form the Baltimore and Washington rail road company, in case the act, ch. 139, of 1828, should be re-