

OFFICE OF THE BALT. & OHIO R. R. CO., }  
 January 9th, 1843. }

*To the Chairman of the Committee of Ways and Means of the  
 House of Delegates of Maryland, Annapolis:*

SIR,—My answer to your letter of the 5th instant, enclosing an order of the House of Delegates of the same date, has been delayed in consequence of my attendance upon the Court of Appeals at Annapolis.

By that order the Committee of Ways and Means are directed “to enquire into the expediency of authorizing the Treasurer of the Western Shore to recall the three millions of State bonds issued under the eight million loan of 1835, for the Baltimore and Ohio Rail Road Company, at present in the hands of the Barings, Brothers & Co. in London;” and it appears, by your letter, that the committee of Ways and Means are desirous of knowing the views of this company on the subject before they respond to the order.

With my acknowledgments for the opportunity afforded by the committee, I have to observe that there are no bonds in the possession of the company or in the hands of the Messrs. Baring, Brothers & Co., issued under the eight million loan of 1835, and that no bonds were at any time delivered to the company under the act authorizing that loan.

In 1834 the city authorities of Baltimore, anxious to prosecute the Rail Road to the Ohio river, in order to secure to her citizens the trade of the West, proposed to subscribe to the work the sum of \$3,000,000, provided it should be expended upon that part of the road between Harper’s Ferry and Cumberland, and in the expectation that a similar amount should be contributed by the State towards the prosecution of the work westward.

The act of 1835, chapter 395, commonly called “the eight million loan act,” authorized the Treasurer of the Western Shore to subscribe to the stock of the company three millions of dollars upon the terms stated in the act. On the 23d day of September, 1836, the Treasurer made the subscription accordingly. On the 27th day of the same month, the Mayor of the city of Baltimore subscribed a like sum in the name of the city, and with the proceeds of this latter subscription the road has been finished to Cumberland.

By the act of 1835, chapter 395, the amount of the State’s subscription was to be paid to the company, not in bonds, but in money, and to raise the requisite amount for that purpose, the Treasurer was authorized to issue the bonds of the State, to be delivered to commissioners appointed by the State, to be by them sold in Europe, at a certain premium, and the proceeds to be paid into the Treasury, and by the Treasurer to be paid to the company according to the provisions of the act. The commissioners found it impracticable to dispose of the bonds according to the terms of the law and the company were unable at any time to obtain payment of any part of the State’s subscription in the manner provided by the act of 1835.