

Since the adjournment of the legislature, the Baltimore and Ohio Rail Road Company have, as authorized by the law of that session, reduced the fare for the transportation of passengers upon the Washington Branch of the road; and I have great pleasure in communicating the fact that this experiment has resulted in giving to the State for the last three months, an increased revenue of \$1,279  $\frac{47}{100}$ .

During the past fiscal year, the State received from the Baltimore and Ohio Rail Road Company, for the State's one-fifth of the gross receipts for the transportation of passengers on the Washington Branch the sum of \$38,699  $\frac{43}{100}$ , and for the same period for dividends \$48,000, making an aggregate of receipts from this company of \$86,699  $\frac{43}{100}$ . By law the sum of \$34,069  $\frac{36}{100}$  is appropriated from the State's revenue from the road to the free school fund; and the balance \$52,630  $\frac{7}{100}$ , is applicable to the demands upon the treasury.

I have received and will transmit the annual report of the Baltimore and Susquehanna Rail Road Company. The large investment which the State has in this work will render your attentive supervision of the proceedings of this company a matter of interest to yourselves, and of duty to your constituents. The serious indisposition under which I have suffered since the report was received and my incessant occupation in preparing this communication, have prevented my examining the report with that care which its importance merits.

During the past fiscal year this company has paid to the State the sum of \$20,000, and in my opinion you may expect from the same source for the current year a larger sum by at least \$5,000.

I have received no communication from the Susquehanna and Tide Water Canal Company, but I have the pleasing intelligence to communicate, that during the past fiscal year this company has paid into the treasury the sum of \$74,800 leaving unpaid for its entire liabilities to the State for that period the sum of \$9,750. You may I think for the current year rely upon receiving from this company the entire amount of its liabilities for that period.

I am still impressed with the importance of having a Board authorized to supervise the vast interest of the State in her various works of internal improvement; but I will not again press the subject upon the attention of the Legislature.

It is certainly essential to the interest of the State, that *some agent* of the State, should be clothed with the power to control the tariff of tolls established by each company so as to keep them all above the *revenue standard*; and I submit the subject to your consideration as one well worthy of your attention.

It will be necessary that one or more Ware houses should be built in the city of Baltimore for the reception and inspection of tobacco. The inspection has increased during the present year, about twenty thousand hogsheads, and the amount paid by the inspectors for storing the tobacco, which they could not stow in the public Ware