

and the Attorney General was directed to commence legal proceedings against the company, for the recovery of the whole dividend, in money. Suit was accordingly instituted and upon appeal to the Court of Appeals, that court by its judgment rendered at the December term 1847, while it recognised the right of the State to decline the acceptance of the dividend, nevertheless, fully sustained the company in the exercise of the power claimed by it, to apply its nett revenues to the reconstruction and extension of the road, and to all other purposes necessary to its legitimate and successful operations. The cash portion of the dividend has remained on deposit, in the Commercial and Farmer's Bank, since the time of its declaration; the bonds are in the hands of the company, and it is understood that the quarterly interest accruing upon them, as it became due, has been regularly deposited in the same bank. Under these circumstances, as no possible good can ensue by a continued refusal to accept the dividend, I recommend the passage of a law requiring the Treasurer forthwith to demand and receive it from the company on the terms on which it was declared, with authority to convert the bonds into cash whenever he may deem it prudent and necessary for the interest of the State.

The reports of the Baltimore and Susquehanna Rail Road Company for the last two years, ending on the thirtieth of September of each year, are herewith transmitted. The judicious management of that work, by the intelligent and energetic officer at the head of the company, and the board of directors to whose discretion is confided the control of its operations, is entitled to the highest consideration; and, in testifying to the commendable zeal, on all occasions manifested, to contribute largely from their revenues in aid of the public credit, I but perform a duty, alike agreeable to myself and eminently due to them. From an examination of these reports it will be found that, although from causes beyond the control of the company, a diminution of \$16,047 29, as compared with the antecedent year, occurred in the revenue of the year ending on the thirtieth of September 1848, yet that the gross income of the year closing on the thirtieth of September last, exhibits an excess over that of the year immediately preceding it, of \$34,026 98. The investments of the State in this work consist of

Subscription to the Capital Stock of the Company	\$100,000 00
Loan as preferred creditor	1,884,045 29
Preferred claim for interest paid, over and above amount received from the Company	962,941 40
	\$2,946,986 69

Total

\$2,946,986 69

The interest due from this company to the State amounts, annually, to \$112,035 64. During the fiscal year of the Treasury ending on the thirtieth of November 1848, there was received from this source \$50,000; and in the course of the year just expired \$75,000, less, in the one case, by \$62,035 64, and in the other, by only \$37,035 64, than the total interest accruing during the same periods. Nor do these amounts, large as they are, demonstrate the full capacity of that corporation to contribute, hereafter, to the public prosperity, and to the discharge of all its liabilities.