

We have before stated, that the proportion of the annual interest of congress domestic debt, (after deducting the interest of the sum liquidated by this state) amounts to £.50,762 17 11 $\frac{1}{4}$ . It is self-evident, if this government can pay no part of this interest, that it will be impossible for us ever to discharge the principal, with such an accumulating interest. At this time the final settlements, and other securities issued by congress, bearing interest, may be purchased from six to eight for one. It is apparent, that less than £.200,000 specie, at this time, (and most probably for a considerable time hence) will purchase above £.1,000,000 of liquidated continental securities. It appears to us, therefore, prudent and wise to make great exertions to procure the means of purchasing these securities in their depreciated state. The governments having lands to sell, have procured with them great quantities of these securities; it was one of the great objects of our proposed emission, to apply part of the sum received in taxes, or part of the sum not circulated on loan, to this purpose; if, as we expect, our paper should maintain its value at par with specie, or with a very little or trifling difference, it might either purchase these securities, or tobacco or flour, which might be exchanged for them. We also expected, that part of the £.100,000 not appropriated for loan to individuals, would be borrowed by several of our counties, for the purpose of laying out and making the capital roads, by which the produce of the back country is brought down, and exported from George-town and Baltimore-town, a great and necessary business, and which calls loudly for legislative assistance.

On this review of your circumstances, public and private, to enable you to pay such taxes as the exigencies of the federal union and your own government required, and with a view of furnishing the means to secure a quantity of continental securities, we proposed to emit bills of credit to the amount of £.350,000 current money, and to circulate £.250,000, part thereof, on loan at six per cent. interest, on ample landed security of above double the value. We appropriated £.100,000 for loan to the inhabitants of the several counties, for 30 days after the money was ready for loan, (according to the property and taxes of each county) the sum to the largest county being £.11,500, and to the smallest £.1,700; no loan to be less than £.50, and not more than £.500 to the same person. After the expiration of the 30 days, any money not lent out as appropriated, to be lent to any inhabitant of the state, in sums not less than £.50, nor more than £.1,000; and not more than £.1,000 to the same person. If this £.100,000 was lent out, six months thereafter the treasurer was authorised, with the approbation of the governor and council, to appropriate and lend out the further sum of £.50,000, in the same manner. If this sum was also loaned, three months thereafter a further sum of £.50,000 might be appropriated, with the like approbation, and lent out in the same manner; if this sum was also borrowed, three months thereafter a further sum of £.50,000 might be appropriated, with the like approbation, and loaned in the same manner. The bill provided, that not more than £.200,000 should be in circulation at the same time, unless the governor and council should be fully satisfied, that the loaning a further sum would not in any manner affect the value of the sum then in circulation. The bill directed, that the six per cent. interest, and one twentieth part of the debt, should be paid annually, and that one half of the interest, and the one twentieth part of the debt, should be annually sunk, and the other half of the interest should be lent; the bill declared, that the emission should not be a tender in law or equity, for any past or future debt for money, unless so agreed by the parties; and that the emission should not continue in circulation more than ten years; the bills of credit were to be received in payment of all taxes and duties due since March, 1784, or to be imposed during the time the said bills shall remain in circulation; and in payment of all county assessments, salaries of officers of government, officers and attorneys fees, &c. &c. but not in payment of five per cent. duties when imposed by congress. This is the substance of the bill; further particulars are contained in the abstract we directed to be published for your information.

By this scheme, not more than £.250,000 could be put into circulation in the space of 12 months; and a debtor for £.100, (if he paid his interest and one twentieth part of his debt annually) at the expiration of nine years would pay £.36 19 6, and he would owe the state £.63 0 6. By this plan, if £.100 is lent, and one twentieth part thereof and six per cent. is paid annually, and the one twentieth, and one half the interest, is sunk annually, at the expiration of nine years, the one twentieth will bring into the treasury £.41 11 3; the six per cent. will bring in £.49 17 5; there will be sunk £.66 10 0 $\frac{1}{4}$  of the principal; there will remain in circulation only £.33 9 11 $\frac{3}{4}$ ; there will be £.91 8 8 principal and interest paid in; there will be due to the state, with the accumulated interest, £.83 7 5 $\frac{3}{4}$ ; and the state will gain £.49 17 6; and if the debtor and his securities should all prove to be worth nothing, the state could lose only £.8 11 4 of the original sum of £.100. This will appear by the paper annexed No. 1. The paper annexed No. 2, will also shew a true state of the emission of £.250,000, agreeably to the plan of our bill, the sum sunk and in circulation, every year, and the profit to government.

This house intended to suspend the collection of the arrearages of taxes (before stated to be £.197,320 14 7) until £.100,000 of the emission could be fully in circulation, on loan, in every part of the state; and at no time would the paper money in circulation be equal to the amount of the taxes. We also intended to impose on you, for the supplies of 1787, a tax not exceeding 30s for every £.100 worth of your property, and to continue the same for several years; and to enable you to pay this tax, we intended, by purchasing your produce, to circulate among you the amount, or nearly the amount, of the taxes, after paying the expences of this government. We hoped and expected, that you would readily submit to this taxation, and cheerfully exert yourselves to pay it, when furnished, in great measure, with the means, and when you must clearly see, that by such exertion you would relieve yourselves from a perpetual burthen, or a continental bankruptcy.

You will discover, from a deliberate attention to your affairs, that you are in a most critical and dangerous situation, and that some expedient ought to be immediately adopted, that affords some prospect