

up to these special funds, there is added the necessity of providing a new loan, whenever a former loan becomes due, and of a tax to meet it, notwithstanding the Constitutional requirement that no debt shall be contracted by the General Assembly unless such debt shall be authorized by a Loan providing a tax for its payment, which is not to be applied to any other object until such debt and the interest thereon shall be fully discharged.

By reference to "Statement J," in this connection, it will be seen that the "Maryland Defence Loan" authorized by Act of 1868, Ch. 235, the principal whereof amounts to the large sum of \$3,326,750.66 falls due in the year 1883. By further reference to the Act of 1868, Ch. 235, it will be seen that what is known and felt as the "Bounty Tax" of 5½ cents is pledged by law to the payment of the principal and interest of this loan; and by reference to "Statement M," it will be further seen, that this tax and the proceeds of the loan have already been applied in the way and for the purposes therein set forth, with the exception of \$83,757.74, which, as I have already shown, has been borrowed by the General Treasury.

The error of such a system of legislation is thus practically shown. Were these special funds pledged by law to particular objects and forbidden by law to be used except as pledged, set apart and not applied to other objects, the Government would in the best of times come to a dead halt for the want of available funds, with a plethora of the people's money lying idle.

The Treasury officers, out of a proper regard for economy and the necessities of the Treasury, have hitherto utilized these funds in the way indicated, and relied upon a just and discriminating public sentiment for their justification.

Notwithstanding these uses, the loss to the Treasury on account of the failure of accustomed receipts and the large and increasing amount of its unproductive assets, many of which as set forth in "Statement I," are utterly worthless, required that a new Loan should be authorized by the Legislature for the relief of the pressing