

The business and travel of the road have largely increased within a few years past, and induced the hope of receipts with each semi-annual report made by its officers.

The two Reports made since the payment of the balance on hand, December 1, 1862, show that the entire receipts since have been absorbed, and that the Company has also incurred debt.

I ask your careful consideration of this question, as one affecting the interests of the State, as to what ought to be received from the Company; and, more especially, that something may be done to keep the revenues of the State derived from other sources, from being applied to the obligations of this road.

The receipts from the Susquehanna and Tide Water Canal Company, in the past two years, have been greater than had hitherto been received from that Company, but still barely sufficient to pay the interest and exchange on the original sum of one million of dollars, for which the State advanced its credit in London, and upon which the State pays regularly the interest; leaving the arrears of interest and exchange due by the said Company to the State, for deficiencies in payment by the Company in former years unreduced.

The terms of the loan by the State, as per Chapter 416, of 1838, obliged the Company to provide for the payment of the principal thereof, 1st January, 1864, being one year in advance of the time when the bonds of the State may be redeemed in London.

Your attention is directed to this subject in view of the short time intervening when the obligation of the Company requires it to make payment, not only of the interest but the principal of this debt; there has been no provision made by the Company, that I am advised of, for this payment.

The able management of the Baltimore and Ohio Rail Road Company, has brought large receipts to the Treasury from this Company in the last two years, notwithstanding the untoward events so frequently overtaking the Road within that period. The receipts from this Road in the past fiscal year, exceeded the sum of \$350,000.00, and the appearances thus far in the current fiscal year, are that even this large sum will be exceeded in the receipts to September 30, 1864.

*S. T.
C. a. u.*

B. H. C.