

payment of the bonds issued under the Acts of 1841, chapter 168, and 1846, chapter 234, which amount together with the amount stated as the company's apparent cash balance of December, 1862, would enable the Treasury to redeem the bonds then outstanding, except a very inconsiderable part thereof, and thus stop the interest on these bonds, the company having only an apparent cash balance and not a *real* one after paying its outstanding obligations for necessary expenses, repairs, &c., not audited, borrowed the sum of eleven thousand dollars and paid into the Treasury the sum of \$14,286 72 to be applied to the payment of the bonds issued under the aforesaid Acts. This the company was not under any obligation to do, in the opinion of your committee, under the strict construction of the law.

But as the bonds issued under these Acts have been paid off, except a very inconsiderable part thereof, at this late day, when the provisions of the Act in relation to the payment of the bonds and interest thereon are about expiring, your committee can perceive no practical benefit which can enure to the State from any Legislative action or judicial interpretation which they could recommend.

Your committee further report that an examination of statements A, B and C, although showing an apparent cash balance does not establish the existence of any nett profits which can be paid into the Treasury. From the balance of \$11,973 37 in bank December 1st, 1863, are to be paid the sum of \$11,000 due the Farmers' Bank of Maryland, and borrowed to pay off the bonds issued under the foregoing Acts and other sums appearing due by the proceedings of the said company to be found on page 23 of Document H.

Your committee further report that whenever any nett profits are realized it will be the duty of the company to pay the same into the Treasury according to the provisions of law, and they have no reason to doubt that when such nett profits have been earned, the company will discharge its obligations to the State.

At present the committee deem it unnecessary to recommend any Legislative action on the subject, and ask to be discharged from further consideration of the subject.

H. STOCKBRIDGE,
Chairman.