

To you, gentlemen, recently elected by the people, fresh from among them, aware of their needs, and representing their wishes, the particular wants of your respective constituencies are doubtless sufficiently well known. But there are other requirements of the State, and remedies needed, to which it is my duty to call your attention, in pursuance of the obligation imposed on me by the Constitution, to "inform you of the condition of the State, and recommend to your consideration such measures as I may judge necessary and expedient."

Foremost in importance, because of its relation to the public faith, is the condition of the State finances; and it is satisfactory to be able to declare that the State is, in this respect, in a position that abundantly testifies to the wisdom of the legislation which has secured such result, and the faithfulness of the officers who control her Treasury.

The report of the Comptroller, addressed to me during the recess, exhibited the condition of the State on the 30th of September, 1858; by which it appeared that the whole Funded Debt of the State, as of that day, was nearly fifteen millions of dollars, (\$14,862,510.26,) against which is to be reckoned the four millions of the Sinking Fund, showing the amount on which the State now pays interest to be about eleven millions of dollars.

This amount, under the operation of the Sinking Fund, is constantly diminishing, and every citizen may refer with pride, as well as satisfaction, to the certainty thus shown, of the ability of the State, not only to regularly meet her accruing obligations of interest, and her responsibilities to the public creditor, but of rendering her securities yearly more valuable, by the gradual absorption of them, and their final extinguishment, if we will only persist in the prudent financial policy which has led to these results.

The Sinking Fund was still further increased during the year ending on the 30th of September, 1859, to the aggregate of more than four and a half millions, (\$4,582,975.22;) and a comparison of these with the previous figures, showing an increase of \$359,701.45, demonstrates that a few years' continuance will entirely discharge the indebtedness of the State. That indebtedness for years, hung like a heavy burden on the people, whose representatives were induced to lay so heavy a charge upon them, in the hope of developing the resources of those regions through which the great works of public improvements were to pass, as well as in the intention of making investments which should be profitable to the State, or at least return to her Treasury the sums drawn thence for interest to her bondholders. In this hope, so far as the great Railway which unites her chief seaport to the West, is concerned, the confidence of her legislators was and is completely justified; and her investments in Bank stock have been profitable, while