

Maryland an end, so desirable in the opinion of all, could be attained or satisfied that the resort to an increase of the direct tax would be not only unjust but unwarranted to meet the enormous deficit in the revenue of the State, I was constrained either to abandon the only object which induced the acceptance of the office to which I had been elected, or to resort to other expedients.

I was fully aware of the odium which would attach to all those expedients with different portions of the community, and I relied for my justification, upon the adequacy of the means suggested to answer the great end for which they were designed, and I relied upon the patriotism and honesty of the people, for their approbation of measures which would restore the honor and credit of their State. The result gentlemen is before you. The State after paying in each year as much interest as accrued for the same period, has in the three years reduced the arrears of interest from \$1,450,961 to less than \$900,000.

She has declared her solvency by resuming the payment of her debts, and with the means I have brought to your consideration, and the well known energy and talent of my successor in office, she can and will maintain her present proud position.

I cannot omit bringing to your notice, the conduct of a citizen of Maryland who has been for many years past, and is now a resident of London, to which my attention has been directed within a few days past, as illustrative of the deep interest felt by our citizens abroad in the determination to which you have come to restore the credit of the State.

Under the provisions of the act of 1835, commissioners were appointed to negotiate the loan authorized by that act, two of whom received the compensation to which they were entitled under its provisions: but Mr. George Peabody the gentleman to whom I have reference, has never claimed or received one dollar of compensation, as one of those commissioners. I am informed that whilst was struggling with her pecuniary difficulties, he felt unwilling as one of her citizens to add to her burthens, and I am now officially informed that he relinquishes his claim to compensation, feeling himself sufficiently remunerated for his services by the restored credit of his State.

I have not seen the report of the Baltimore and Ohio Rail Road Company, but have learned indirectly that the dividend of three per cent. declared for the present year, is to be paid to the City of Baltimore in the bonds of the Company, and to the other stockholders, (including the State), in cash.

The State has therefore received her dividend for the last year, but the dividends of the preceding year still remains unpaid. The suit instituted for its recovery