

it does appear that the State is doing its full measure, if not more, towards maintaining the Public Schools of the State. Anything further than this, in my judgment, should be provided for by local revenues. Indeed, I am fully convinced that the entire State Public School Tax, now 15 cents, and $1\frac{3}{4}$ cents for School Books, should be reduced to 15 cents, and from the revenue thus produced deduct first the sum of \$100,000 for Free School Books, distributing the same as now provided by law, the remaining sum, which will be over \$1,000,000, to be distributed in accordance with Chapter 584 of the Acts of 1904. This would reduce the State tax rate $1\frac{3}{4}$ cents without injury to Baltimore City or any County in the State; indeed Baltimore City contributed to these two funds \$141,896.68 more than it received.

The advocates of the new School Law asked for such a tax rate as would produce \$1,000,000 per annum. Fifteen cents will not only do this but care for the Free School Books as well, and I therefore recommend your Honorable body to pass such a bill, and thus relieve the taxpayers of this $1\frac{3}{4}$ cents.

PUBLIC HIGHWAYS.

The Legislature of 1904, by Chapter 225, provided for the improvement of the public highways by an Act entitled "An Act for the improvement of the public highways of the State and to provide the means therefor."

Unfortunately for the success of the measure, the only means provided therefor was a direct appropriation from the State Treasury as follows:

"Section 16. And be it enacted, That the sum of two hundred thousand dollars annually, or so much thereof as may be necessary, be and the same is hereby appropriated out of any money in the Treasury not otherwise appropriated, for the purpose of carrying out the provisions of this Act."

I have endeavored in these remarks to present to you the full and true condition of the Treasury of the State. From such presentation, it becomes very manifest that the Treasury cannot stand this very large appropriation, and the Commission was