

generally deteriorated and in many instances did not provide a safe and adequate highway. The system of roads was not only inadequately maintained, but funds were not available to undertake those projects of reconstruction, betterments, and additions to the System so vital to a modern highway system, especially from the viewpoint of highway safety.

Realizing the urgent need for restoration of portions of the road system and to provide adequate funds for the maintenance of them, provision has been made to dedicate funds for maintenance and reconstruction in this budget in amounts of \$3,211,554.00 for the year 1942 and \$3,203,433.00 for the year 1943.

The completion of the two toll bridges of the state system, namely, the bridge over the Susquehanna River and the one over the Potomac River, has caused an increase in the operating personnel of 38 employees, consisting of Bridge Superintendents, Toll Sergeants and Collectors, and clerical forces. The continuation of the Traffic and Highway Planning Division, as an adjunct of the Commission, at the insistence of the Public Roads Administration of the Federal Government, is responsible for 17 employees. The Traffic Safety Committee and Bureau of Controls, Surveys and Maps, established by action of the last Legislature, have added 6 additional employees, whose engagement is necessary to carry on essential duties collateral to good road development. It also became necessary to augment the personnel of the several divisions of the Commission, especially the Engineering Departments, where experienced employees were necessary to perform the work required by the large number of projects of new construction embraced in the Commission's Construction Program.

The maintenance operation budget of the Commission has been increased to the extent of \$80,000.00 each year, due to the operation of the Susquehanna River Toll Bridge and the Potomac River Toll Bridge. Under the terms of a Trust Indenture of October 1, 1938, the State Roads Commission covenanted that the cost of maintaining, repairing and operating these bridges, but excluding the cost of collection of tolls, shall be provided from State Funds and not from toll collections. While these highway facilities, necessary as they are, must be maintained by appropriations of State Funds, the present rates of income are more than sufficient to provide an adequate Sinking Fund for the redemption of Bridge Revenue Bonds, thus insuring full protection to the purchasers of this type of bond.

It is now expected that the present rates, or contemplated adjusted rates, may retire the outstanding bonds in approximately eighteen years. In connection with the revenue derived from the operation of the toll bridges, and after carefully considering the security afforded by income from these sources to the holders of Bridge Revenue Bonds, I have caused a study to be made of income from the Toll Bridges, having in mind the revision of toll rates applicable to the Susquehanna River Bridge.

It is my belief that the existing toll rates can be reduced in favor of frequent users of the Bridge, and particularly in favor of the residents of Harford and Cecil Counties.

Under all the circumstances, it would seem only fair and equitable that without impairing the necessary income to liquidate the bonds, reductions should be made as promptly as the revenues justify. Furthermore, especial attention should be paid to the interest of residents of the adjoining counties, so that the burdens of tolls will not fall unduly upon one section of our State.