

Mandel puts duties first

By TOM STUCKEY

Gov. Marvin Mandel has launched his eighth year in office with a pledge to the General Assembly that state government will not suffer because of his impending trial and his "quest for personal redemption."

Mandel told legislators in his State-of-the-State address Wednesday that he has weighed the balance between the demands of his office and the personal problems created by his indictment and that "I assure you that there will be no competition for my attention."

"I have not and will not compromise my responsibilities as governor for my survival as an individual," he said.

The indictment and trial were never mentioned specifically by the governor in his eighth annual address to the General Assembly, but a sizeable portion of the half-hour talk was devoted to a discussion of his personal problems and to assurances that there would be no distraction from his official duties.

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Mandel also outlined his limited legislative package for the 1976 General Assembly session, discussed details of this \$3.5 billion budget for the upcoming year and got in another blast at the federal government and the policies of President Ford.

He was given the traditional standing ovations as he entered and left the House chamber, but only once was he interrupted by applause.

That was when he denounced a proposal to impose an earnings tax on Marylanders who work in the District of Columbia.

He called the proposal an

assault on the Maryland treasury and said Marylanders "have enough of a burden to bear without being asked to pay ransom for the right to earn a living."

Republicans had little to say about the speech itself, but were quick to criticize the budget and the \$74 million one-time windfall Mandel used to balance the spending program.

Sen. Edward J. Mason, R-Allegany, Senate minority leader, called the budget a "repeat of past performances in which the governor has sacrificed the future welfare of the state for the purpose of

presenting a technically balanced budget."

He predicted that the continued use of windfalls to balance the budget will result in increases in the next two years in sales and income taxes.

As he had promised, the governor again balanced his budget without proposing any general tax increases, and he went to great lengths to justify the spending limits he had imposed.

He said it would have been easy and perhaps politically expedient "to push for an increase in either the sales or income tax, to build a luxury budget that I believe would be foolhardy at this time and unnecessary for the proper and prudent operation of Maryland."

"But I will not further burden the taxpayers of Maryland at this time of financial demand and stress, when every spendable dollar is important not only to our citizens but also to the economic recovery of the nation and the fiscal well-being of our state," he said.

"I do not believe in taxation for the simple security and comfort of a surplus, or in reckless spending beyond our needs and requirements," Mandel said.

He said not only was he not proposing a general tax in-

crease but that he would "oppose any effort to tinker with the delicate tax structure in Maryland."

"And unlike other states, there will be no cutback in essential services, nor is there even a consideration of letting off state workers to reduce government costs," he said.

The governor did not, however, rule out the possibility that he might go along with some special tax hike, such as an increase in automobile license tag fees.

Included in the budget was \$120 million to begin work on the mass transit system for the Baltimore area. Transportation department revenues are lagging badly, and Mandel acknowledged in briefings on the budget that unless the department gets additional revenues, many of its programs could be crippled.

Reviewing the state's current fiscal situation, Mandel said it is not good but that Maryland "has survived the triple menace of recession, inflation and high unemployment... better than many of our sister states."

He said Maryland unemployment is high but lower than most states, that taxes are demanding but more just than in many states and that income levels for those who have jobs are among the highest in the nation.

He included a warning to local governments that "the generosity of the state is not boundless" and urged legislators to help keep the state financially solvent by resisting efforts to raid the treasury no matter how just the cause.



Photos by Tom Gordon

GOV. MARVIN MANDEL takes a blast at Ford administration economic policy during his State of the State address to the General Assembly yesterday. Mandel also outlined his legislative package and budget and pledged that state government would not suffer as a result of his indictment on political corruption charges.

