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PROCEEDINGS  
OF THE  
House of Delegates  
OF  
MARYLAND

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FEBRUARY SESSION, 1958

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BY AUTHORITY

## JOINT SESSION OF GENERAL ASSEMBLY

At 4:00 o'clock P. M. the Committee appointed by the Speaker escorted the Senate of Maryland to the House Chambers.

The roll of the Senate was called and the following Senators answered to their names.

Senators.—

President, Bertorelli, Cole, Dean, Della, Dempsey, Di Domenico, Downey, Flanagan, Friend, Goodman, James, Johnson, Malkus, Mason, Mattingly, Mudd, Mrs. Nock, North, Northrop, Phipps, Phoebus, Ramsburg, Rasin, Redden, See, Shipley, Turnbull, Wheatley.  
Total—29

The Reading Clerk of the House of Delegates called the roll of the House of Delegates and the following members answered their names.

Messrs.—

Speaker, Combs, Raley, Harris (R. B.), Joiner, Kirkland, Melvin, Tawney, Wade, Whitmore, Dowell, Hance, Jenkins, Parran, Boone, Culver, Jackson, Maguire, Staten, Harrison, Latham, Lowe, Quinn, Riggin, Simpkins, Adams, Bennett, Corkran, Burkley, Mackie, McCool, Loveless, Machen, Nichols, Sasscer, Sickles, Wilkinson, Eaton, Risley, Hickman, Polk, Stevens, Derr, Harris (S. F.), Payne, Smelser, Virts, Utterback, Hess, Tydings, Blades, Hughes (H.), Dabrowski, Milanicz, Mrozinski, Walters, Antonelli, Bartos, Behounek, Hedrick, Mach, Urban, Brooks, Culotta, Kenney, McNeal, Cole, Friedman, Hatchett, Robinson, Bacharach, Cardin, Mandel, Silver, Corrigan, Berkson, Bloom, Brewer, Huyett, Porter, Browning, Lee, Wheeler, Woodward, Berry, Cook, Driscoll, Williams, Reed, Barnes, Hahn, Six, Smith, Brown, Murray, Cannon, Hanna, Larmore, White, Glotfelty.  
Total—100

At 4:05 o'clock P. M. the Committee appointed by the Speaker escorted the Governor of Maryland to the House Chamber for the purpose of addressing the Joint Session of the General Assembly.

The Governor of Maryland delivered the following address.

STATE OF THE STATE  
AND  
ABBREVIATED BUDGET MESSAGE  
OF  
THEODORE R. McKELDIN  
GOVERNOR OF MARYLAND

State House, Annapolis, February 5, 1958

*Mr. President, Mr. Speaker,*

*Ladies and Gentlemen of the General Assembly:*

My appearance before you today marks the beginning of the last full session that I, as Governor, will share with the General Assembly of Maryland.

But I assure you that my interest in the affairs of the State is only sharpened by the passing of the good years of accomplishment during which we have worked together.

There is much that can be done for the public good and the progress of Maryland in the thirty days that lie before us.

There is more that must await the sessions and the years ahead—for in these fast-moving times of scientific advancement, steady rise in medical

knowledge, rapidly growing population and commendable emphasis on the education of our people, there is no foreseeable place at which government can rest on what it did in the past. Its movement must continue forward, in step with the rapid march of history-in-the-making.

Many of you will seek and secure re-election.

It is my sincere hope that your relations with my successor will be as pleasant and productive as those which we have enjoyed since the session of 'fifty-one, and that the years of your joint stewardship will keep this magnificent Maryland in the vanguard of governmental initiative.

The year which has elapsed since your previous convening has, like its predecessors, featured the modernism of Maryland thinking and of the action of Maryland's people.

To mention a few of the highlights of our progress:

To our fine system of toll facilities for the short-cut crossings of high-way water barriers we have added the completed tunnel under Baltimore Harbor, and its public acceptance is assured by its enthusiastic patronage.

Extensive progress was made in this fifth year of the long-range program of road construction and modernization, which I proposed and you approved in 1953. The Roads Commission will give you a full progress report during this session.

Our Capital Improvements program has made steady progress for better health services, increased facilities for higher education and the efficient housing of State departments and agencies. In my printed message, under the headings of concerned departments, you will find texts on the buildings ready for occupancy and those that will have increased occupancy in the coming fiscal year.

Meanwhile, modern treatments and medicines for tuberculosis and mental diseases brought a continuing decrease in the number of patients in the tuberculosis hospitals, and evidences of a downward trend in those for sufferers of mental ills. More detail will be found in the printed Budget Message.

As I publicly urged, following the 1957 session, the Civil Divisions of the State have demonstrated a commendable willingness to meet the needs of their public school teachers. As The Maryland Teacher—official publication of the State Teachers Association—editorially notes in its January issue: "Twenty-two counties faced up to this responsibility by elevating local salary schedules last September in amounts varying from \$100 to \$400. Baltimore City and Baltimore County followed suit this month with new local pay scales."

The General Assembly requested for the first time and I provided well in advance of the session, the essential information on the Budget and fiscal programs of the State to lay the groundwork for a thorough study of the financial documents on which you are asked to pass. I consider this evidence of your interest to be highly commendable and, indeed, a highlight in our governmental progress. I hope similar actions will be taken by you and by the Governor in advance of all future 30-day Regular Sessions of the General Assembly.

The year that is gone, of course, was not without its disappointments and even embarrassments.

Death, serious injury and property loss continued at a high rate as a result of highway accidents. While the total of highway fatalities showed a decline, despite the increasing traffic load, I could not bring myself to list this fact among the cheerful items of the year. The decline was too slight to arouse cheer, and, indeed, a single highway death that could have been avoided is one too many.

There arose a glaring new instance of that selfish flouting of Virginia's laws under the licenses of Maryland Counties which has created ill feelings between that Commonwealth and this State, and which has served to bring ridicule and disgrace on Maryland's name throughout the United States and in other areas of the world.

The gambling and drink-serving ship and piers adjacent to Virginia's shore in Maryland's Potomac River are of no service to the people of Maryland for whom our beverage and gaming regulations are written; such establishments are aimed directly at circumventing the Virginia statutes against the gambling and the selling of alcoholic beverages by the drink.

Indeed, in other areas of Southern Maryland, as well as in those Counties that border the Potomac, it should be borne in the public conscience that the tendency to look more and more upon the proceeds of gambling devices as a major source of public revenue strongly indicates a softening of the moral fibre of a people, and its spread should be discouraged by appropriate legislation.

During the past summer, there was visited upon the State a prolonged and serious drought, costly to many farmers, disastrous to many crops, and damaging to the whole economy of Maryland. While properly listed here among the less happy incidents of the past year, it is to be hoped that it will have the good effects of arousing us to preventive action.

#### CORRECTIVE ACTION

On January 2, 1957, I stated at the opening of your session that "the gravest—the most pressing—of all our problems . . . is that constantly mounting conflict between the essentiality of an expanding highway system . . . and the rising rate of death and destruction which accompanies the expansion."

That statement stands today.

Again the Special Committee on Motor Vehicles of the Legislature, in cooperation with the State agencies concerned, has worked diligently in the preparation of Legislation aimed at the reduction of carelessness and unskilled driving on our roads.

Happily, the new proposals of that Committee have the approval of your Council, and I strongly urge their passage.

One of the two proposed bills provides that any operator or chauffeur—regardless of age—who is convicted within a year of a second violation with a hazardous moving vehicle shall have his license suspended for at least 15 days. A third conviction within a year of the second will result in the refusal or revocation of the driver's license to drive.

The second bill would make it mandatory that courses in driver training be offered in all public high schools of Maryland. This program would be financed by increasing to \$5 from the present \$1 the fees for learners' permits—the extra \$4 to be paid into the State General Fund to cover the cost of the driver training courses.

While the above bills are highly desirable and should result, if enacted, into better prepared drivers and the practice of considerable more caution, I remain of the opinion that an adequate highway patrol remains our best insurance against a steady rise in the rate of serious accidents.

This, I believe, is reflected in the previously mentioned fact of a slight decrease in the number of fatalities last year despite the far greater number of vehicles on our roads.

Last year you recognized this need for a growing highway force and approved the 80 additional men proposed in the Executive Budget.

This year I am asking for 80 more, 40 to be appointed at the beginning of the fiscal year and 40 to begin their service in the middle of the fiscal

year. I am confident that you will see again the importance of keeping the expansion of the State Police in line with the expansion and use of our highway system.

There will be ready for your consideration a bill that is aimed at outlawing the existence of gambling establishments in the navigable waters of the State, except where they can be entered by foot from the Maryland shore.

It is through this bill that we hope to drive from the Potomac the water-bourne casinos and bars which are so offensive—and properly so—to the law enforcement officials of Virginia.

I would have preferred to attack the problem more directly by depriving the offending Maryland Counties of the authority to issue licenses for liquor sales or slot machines on the Potomac.

I was advised, however, that such a bill would be classified as local legislation and would not meet the restrictions of the 30-day session.

I believe that the depriving of the ship and piers near the Virginia shore of their rights to operate slot machines would make the total operations so unprofitable that they would go out of business.

However, should the law now proposed prove inadequate, it can be supplemented by additional legislation in the long session of next year.

In view of the unpleasantness that has been created between Maryland and a friendly but aggrieved neighbor, and because of the ill fame which the situation has brought to our State, we must, I feel, make at least a start on correcting the situation now.

Last year, with no recent drought for background, I urged you to enact legislation to empower the Counties to borrow money for the construction of reservoirs for the storage of flood waters to serve for farm irrigation in periods of dryness in the growing seasons.

The bonds would be amortized from assessments against land owners electing to use the water.

Perhaps because of the press of other business you neglected to act on this legislation.

During the past summer, the need for such provision against drought was brought home to us by an extended rainless period.

Some among your leaders showed proper concern for the situation, and I was hopeful that the Legislative Council would draw up a bill that would meet with your approval.

Since I see no such bill in the Council's report, I propose to have introduced a bill similar to that which was placed before you in 1957.

I hope it will win your favor.

At any rate, it is a subject that we cannot permit to rest. It is something that will be done someday. It should be done soon.

### MUNICIPAL COURT

The very rock that supports the democracy of America is the administration of justice, from the Supreme Court of the United States down to the squire at the country crossroads.

Our system of dispensing justice has grown with the years.

Changes and expansions have been decreed by the people from time to time to meet new conditions, to cope with the growth of population, to keep pace with the complexities of an industrial society and in step with an increasing knowledge of the law.

Here in Maryland, learned commissions, appointed by a series of Governors, have kept our whole system of courts under almost constant study, and many pronounced improvements have been accomplished by Legislatures and the electorate.

There remains in this march of judicial progress a distressing lag.

I speak, of course, of the long recognized but neglected obsolescence of the Traffic Court and Police Courts of Baltimore City.

It has not been for a lack of advocacy among the citizenry and, particularly, among the members of the Bar that the people of Maryland have been denied the opportunity to vote on this long-needed Constitutional reform.

Commission after Commission has made recommendations and prepared legislation to consolidate the Traffic and Police Courts of Maryland's great metropolis into a new Municipal Court for Baltimore City.

Another Commission of distinguished, public spirited citizens has had this subject under review for several months, and once again a bill will be prepared and introduced in this session of the Assembly.

If this bill is enacted by you and approved—as I am sure it would be—by the people in November, Baltimore, like other great cities of the Country would have a first-class Municipal Court of full-time Judges, uninterrupted in their administration of justice by private practice of the law and the conduct of other business.

As Baltimore is the center of much of the State's business and other activities, this matter is of concern to all areas of Maryland and all its people.

I hope that each of you will consider the bill on its own virtues, and vote accordingly when you are called upon to answer the roll-call.

The conduct of our Traffic and Magistrates' Courts now and in the past has been worthy of high commendation under existing circumstances. It is not the personnel that is at fault; it is the system. The time for reform is more than ripe.

I believe I have touched herein on the highlight needs that press for action or on opportunities at hand for the enactment of desirable improvements in the services of government.

If other needs for action come to my attention in the next few weeks, I shall not hesitate to communicate with you.

You will have also before you many bills prepared by your Legislative Council, some of them, I am sure, of immediate importance to the State and its people, and all of them well worthy of your study and sincere consideration.

### THE FISCAL PROGRAM

Your prime purpose here, of course, in this 30-day session of the even year is that of providing the funds for the operation of the State Government and the maintenance of its good services to the people through the fiscal year that will begin on the first day of next July.

The more important details of my Budget Message, as previously mentioned, already have been presented to you through the mails, and I am sure that many of you have become familiar with the contents.

Before you today will be the complete printed message, containing, in addition to that which you previously received, important information on the spending proposals for the separate departments and agencies of the State Government.

I urge that you read it in full and refer to it frequently in your consideration of the Budget and the means of balancing it with our revenues.

Other documents for your official use are the Budget Book accompanied by the Personnel Supplement, showing in detail expenditures for the previous year, appropriations for the current year, and allowances recommended for the coming year.

Your President and Speaker have the Budget Bill, the Bond Bill for capital improvements, the real property tax bill and the two necessary General Fund revenue measures.

The total Budget proposal calls for 1959 fiscal year expenditures in the amount of \$386,052,416, of which about \$202 million dollars is for State uses, and almost as much—about 184 million dollars—for distribution to the Civil Divisions.

The total Budget proposal exceeds the appropriations for the current fiscal year by almost 31 million dollars.

Of the total, nearly 183- $\frac{1}{2}$  million dollars is in General Funds—an increase of nearly 19- $\frac{3}{4}$  millions; more than 143- $\frac{1}{2}$  million is in Special Funds—an increase of more than 6 million dollars; and more than 59 million dollars is in Federal Funds—an increase of more than 5 million dollars.

Of the increase in General Funds, \$3,300,000 covers the proposals of the Standard Salary Board for salary adjustments for State Employees.

When this is set aside for a moment, the remaining General Fund increase of less than 16- $\frac{1}{2}$  million dollars is almost entirely for Health, Welfare, Correction and the Retirement System, which account for 92 per cent of the total boost.

The remainder of the increase consists of more than 488 thousand dollars in the Budget of the General Assembly and its staff agencies, more than 180- $\frac{1}{2}$  thousand for natural resources and almost 586 thousand in the 41 agencies grouped in the Judicial, General Control and Public Safety categories.

Breaking down the 92 per cent of the General Fund increase for Education, Health, Welfare, Correction and Retirement, we find that nearly 43 per cent, something over 7 million dollars is for Education, nearly \$1,700,000 for the Health Department and its hospitals, more than a million for Mental Hygiene, more than 1- $\frac{3}{4}$  million for Public Welfare, including training schools and camps, and more than 3 million dollars for Employees Retirement and Social Security.

The total proposed expenditure of General Funds through the State Department of Education is nearly 78- $\frac{1}{2}$  million dollars. When Special and Federal Funds are added, the total becomes more than 82 million dollars.

The table on Page 50 of the Printed Message shows the breakdown of expenditures for the Department headquarters, vocational rehabilitation, the various State Aid to Education categories which account for more than 62- $\frac{1}{2}$  million of the total, the Teachers Colleges, the Retirement System, and in institutions which receive State aid.

A little arithmetic will show you that more than 71- $\frac{3}{4}$  million of the total is in items, the amounts of which are determined by formulae under our existing laws—mandatory items, as they generally are known.

For the University of Maryland, including of course the University Hospital, a total Budget of more than \$26,300,000 is recommended—an increase of nearly \$2,000,000 over the current year. Of the Budget total near 9- $\frac{1}{2}$  million is in Special and Federal Funds. The increase of nearly 464 thousand dollars in the former reflects an increase of \$20 per year in the tuition of undergraduates, approved by the Board of Regents.

Of a Budget increase totaling nearly 236 thousand dollars, recommended for Morgan State College, \$69,000 is in Federal Funds for research and more than 37- $\frac{1}{2}$  thousand is in special funds.

As you and the people of Maryland are now aware, the proposed essential increase in General Fund expenditures plus the sharp reduction in the surplus which we had anticipated at the close of the present fiscal

year, make it necessary to raise additional revenues of more than 38½ million dollars to balance the 1959 fiscal year Budget.

To close this gap, I have turned—not to new forms of State taxation which could have ill effects on sections of our economy—but to two of our established and highly equitable sources of revenue.

In submitting for your approval an increase in the Retail Sales Tax, I have resisted suggestions that this be placed again in the nuisance tax category by imposing the levy on small purchases under 51 cents, on restaurant meals and on various exempt items of daily household use.

I am proposing instead that the starting place of the tax continue to be on purchases of 51 cents, and that the customary levy remain on purchases between that starting figure and 66 cents, rising to 3 cents on purchases between 67 cents and \$1.00, graduating upward, so that on each complete dollar unit of a purchase price, the tax would be 3 per cent of the total.

It is my proposal, too, that the effective date of the Sales Tax increase be postponed to November 1, since we need from this source only 7 months of added revenue to balance the 1959 fiscal year Budget.

The remainder of the needed revenue, under this proposal, would be produced by increasing the tax on Ordinary Incomes of individuals from the present rate of 2 per cent to a new rate of 3 per cent. The 3 per cent rate also would apply, of course, to the first \$500 of Investment Income, continuing at 5 per cent on Investment Income in excess of \$500.

Further details on the two tax proposals will be found on Pages 2 and 3 of the Printed Message.

On Page 3, also you will find a reminder of the cognizance which you must take of the situation created by a recent Court of Appeals decision eliminating the differentials between real property and personal property tax assessments. I urge that you read this section carefully in considering a bill on the subject which I am advised will be introduced.

The fiscal program does not, of course, take into consideration such additional actions as you may take in this Session substantially increasing the cost of State Government.

Outstanding in its potential impact on the rising cost of government and on the State's tax structure is the Legislative proposal to inaugurate, for the first time, a Maryland State cigarette tax, the proceeds to be used to increase, at the State level, the salaries of teachers, supervisors and principals in the public schools of Baltimore City and the Counties.

That proposal is in the form of a supplementary appropriation bill, which you passed in the 1957 Assembly, and which I vetoed on April 14 of that year.

In addition to the sound reasons for sustaining my action, as cited in my veto message, I must now point out to you that the latest estimate furnished to me by the State Superintendent of Schools, by the Director of the Retirement Systems, and by the Sales Tax Division of the Comptroller's Office make it very clear that the income which the bill would raise would not support its cost.

The State Superintendent of Schools on December 24, 1957, estimated the cost of the proposed salary increases for the 1959 year, excluding increased retirement and social security costs, would be \$11,026,214.

The Director of the Retirement Systems on December 17, 1957, estimated increased retirement and social security costs under the provisions of the bill for fiscal 1959 would be \$1,247,498.

This would mean a total estimated cost for fiscal 1959 of \$12,273,712.

On November 22, 1957, it was estimated by the Sales Tax Division of the Comptroller's Office, based on a Maryland population of 2,950,000,

that the three cent tax on a package of twenty cigarettes would yield \$10,650,000 for the 1959 fiscal year.

Reducing this amount by \$532,500, which represents the five per cent discount allowed purchasers of stamps, there remains estimated revenue to the State in the amount of \$10,117,500.

This is \$2,156,212 short of supporting the bill for fiscal 1959 under its status as a supplementary appropriation bill. Even if provision should be deferred for retirement and social security costs, the estimated revenue still would be \$908,714 short of supporting the salary increases.

As urged in my veto message, a number of Civil Divisions, assuming the proper responsibilities for their schools, have increased the salaries of their teachers with County and Municipal funds. Indeed, some of the Counties enacted their own cigarette taxes to meet the costs of the increased salaries.

It should be noted, too, that Baltimore City and Baltimore County have increased the rates of their cigarette levies from three cents per package to five cents per package.

The State cigarette tax, if passed over my veto, would mean, for cigarette smokers, in the City and County a tax of eight cents per package, increasing the detrimental effects on the business in those areas, and even seriously injuring their revenues.

I again strongly urge that my veto of House Bill 253 be upheld and that you join with me in urging those Counties which have not yet responded to the need for increased salaries for their teachers to meet this local responsibility as promptly as possible.

The proposed Capital Improvements Program—for the authorization of slightly more than 13½ million dollars in bond issues—will be found in the Printed Budget Message, beginning on Page 56, and, of course, in more detail in the Budget Book, beginning on Page 728. The projects therein are well worthy of your study and consideration. Here, again, Education, Health, Correction and Welfare lead proposed construction in the order named.

### CONCLUSION

The Budget before you is based soundly on the maintenance of established services and the progress that is dictated by scientific advancements in medicine, education, public recreation, penology and other services developed through the years with public approval and often on public demand.

I consider the small increases proposed in two of our general taxes to be quite equitable, adhering to our policy of a balanced tax structure, and favorably comparable to the increased spending for rising commodity costs and the higher living standards which each of us purchases in his private life.

It is our hope that economic conditions will so adjust themselves that our tax sources, with the increases now proposed, will make feasible the estimating of 1960 fiscal year revenues at a figure to support the still higher Budget which is certain for that period.

We must not, however, lower our sights in those areas of governmental service that are allotted to the States—particularly the battle against disease and the general public health and, with equal stress, the advancement of higher education.

If additional future taxes shall be needed for such purposes, I sincerely believe it is the consensus of Maryland thought that they should be provided.

On the other hand, it is your duty as Members of the General Assembly to study with thoroughness the Budget before you—to delete anything therein which you honestly consider to be undesirable or nonessential to the public good, and to reduce any items for which your investigations may demonstrate the proposed appropriations to be too generous.

I strongly urge, however, that you, in making your decisions, weigh with care the wishes of your constituents against the sometimes distorted pictures which may be painted for you by pressure groups and organized writers of letters, telegrams and postcards.

I shall be pleased, as I always have been, to have you call on me during the 30 days of intensive activity that lie ahead, and to have you consult with me on all matters of concern to us and to those we serve.

As in the past, the Budget Director and his staff and the heads of all State agencies and their aides stand ready to assist you and provide such additional information as your deliberations may require.

Respectfully yours,

THEODORE R. MCKELDIN,

*Governor.*

#### ADJOURNMENT

At 4:45 o'clock P. M. on the motion of Mr. Boone the House Adjourned until Thursday, February 6, 1958, at 2:00 P. M.