

MESSAGE
OF
GOVERNOR ALBERT C. RITCHIE
TO THE
General Assembly of Maryland
OF 1922

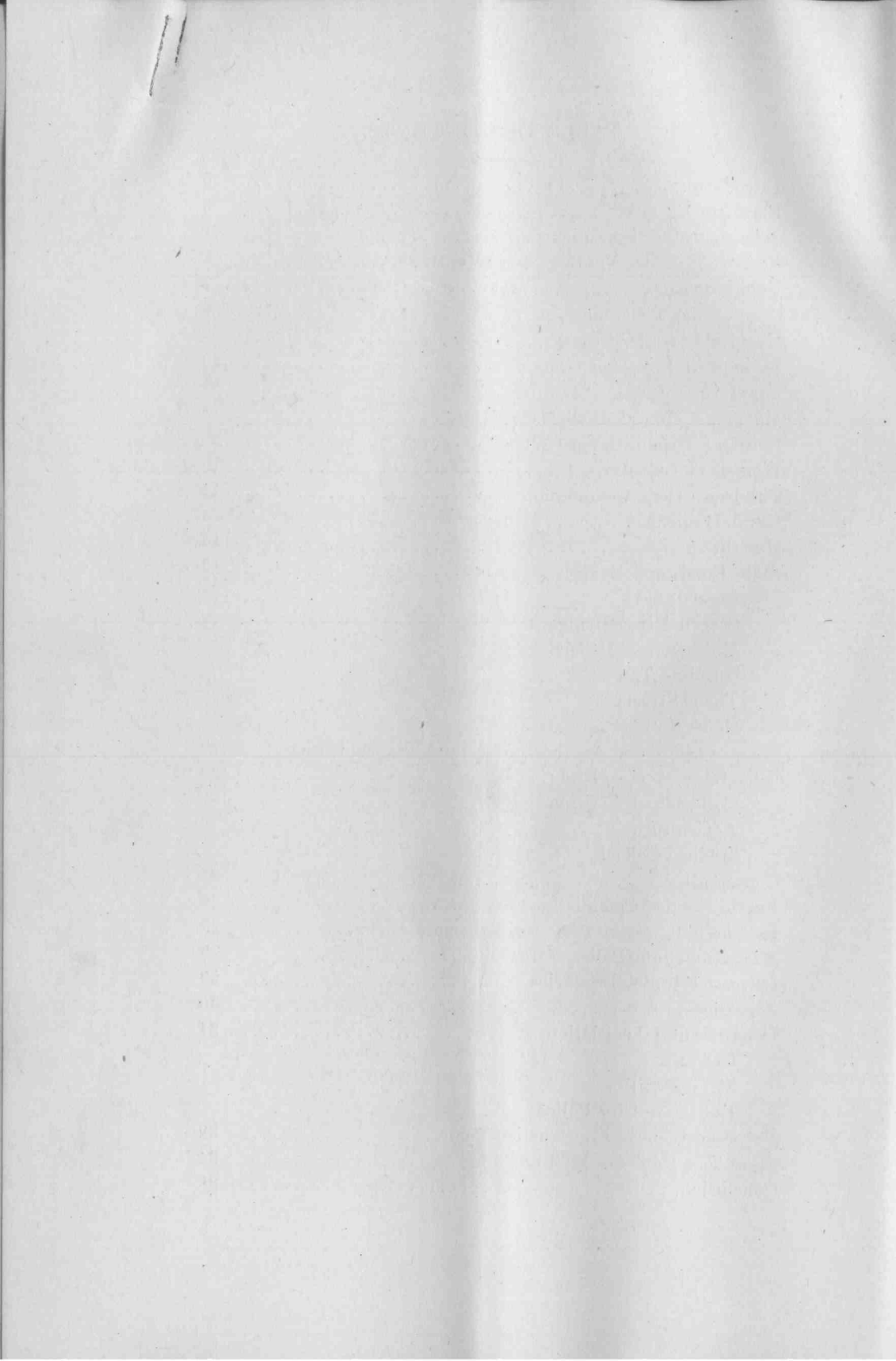
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GOVERNOR'S MESSAGE.

Members of the General Assembly of Maryland:

It is at once a genuine pleasure and a privilege to welcome you today to Annapolis, and to have the honor of addressing you, at the opening of this session, as directed by the Constitution, upon the condition of the State, and to recommend for your consideration measures which seem necessary and expedient.

Maryland's progress in the last twelve years is an inspiring thing. It shows that private enterprise has no monopoly of efficiency or of initiative. These qualities exist in public service too. Both kinds of service depend upon the human factor, and as that is anything but infallible, mistakes occur in both. So sometimes does mismanagement. The difference is that when these occur in private business, generally the people do not know, but when they occur in public business the people do know; and for the very reason that they know, the people are often led to attach an undue importance to what are really incidents, and let them impair appreciation of real accomplishment.

But behold a State which a short twelve years ago, had no good roads system at all, and now has the best in the country, with 1666 miles of modern, improved highways; a State whose injured workmen had no resort but to the courts, where they were met with delay and the obstacles of common law defenses, but which now awards compensation automatically; a State whose mental unfortunates had the care, or the lack of it, of the old county almshouses, but now maintains for them modern institutions second to none anywhere; a State which has responded generously to the call of humanity for the tubercular, the sick, the delinquent and the convicted.

Behold, too, a State which helped her greatest material asset, the farm, scarcely at all, but now devotes hundreds of thousands of dollars to its scientific development; a State recognizing that the public school is the hope and the opportunity of the future, claiming and receiving her bounty not by grace but by right; a State whose sickness and death rates are only fractions of what they used to be; a State which led all others in financing itself under the Budget System, and which lacks little in the

modernization of its business and regulatory methods. A State which knows not corruption.

That, and more, is Maryland.

Today you sit in the halls where sat the men who did those things. The fine traditions of an honorable and an honored State are in your hands. The eyes of a people who feel that you will be truly mindful of these traditions are looking towards you.

Among these, more genuinely concerned than ever before, are the women of Maryland—the great body of them interested first of all, as we like to see them interested, in their duties of home, of wifehood and of motherhood, but, mindful of their new responsibilities, interested next, not in getting anything for themselves, but in seeing the right thing done in public work and done right. An unselfish interest, of which we ought to try hard to make ourselves worthy.

I shall not occupy your time more with what has been accomplished. The treasury is in excellent condition, the State's securities are intact, and the work of the various Departments, conscientiously and honestly performed, has been witnessed by and is known to you and to the general public.

Rather shall I discuss the principal problems of the State government which will require your thought and attention during the next ninety days. These relate chiefly to (1) administrative consolidation and the reduction of the number of elections; (2) the public schools; (3) the care of the tubercular, the insane, the delinquent boys and girls and the prisoners; (4) removal of the disabilities of women and child welfare; (5) state roads and transportation questions; (6) higher education; (7) agriculture; and (8) needs and recommendations of the State departments.

In the foreground always will be the necessity of handling these various subjects in a way which will mean governmental efficiency plus governmental economy. In other words, the question of finance and taxation must be ever before us. We must provide for a government which is efficient, humane and responsive to the needs of the people; but it must be economical too. The public demands relief from the burdens of taxation. They demand relief because they need relief. It must be our part to give it.

The Constitution allows twenty days after the convening of the Legislature for the submission of the Budget. The Budget,

however, has already been prepared. It is now on your desks, and its more important features will be discussed this morning. The Budget Bill, too, has been prepared, and is now being written up.

It may be added that the bills mentioned hereafter are either ready now, or, with very few exceptions, will have been completed by the time your committees are appointed and are ready to receive them.

PLATFORM PLEDGES.

The party to which I have the honor to belong affirmatively pledged itself during the campaign of 1921 to legislation dealing with the following specific subjects:

1. Reorganization of the administrative branches of the State government.
2. Reduction in the number of elections.
3. Increased representation for Baltimore City.
4. Continuance of our system for constructing state roads and lateral roads, and extension of the State roads system through incorporated towns.
5. Extension of our agricultural work and development of our agricultural resources in every practicable way.
6. Development of our public school system and facilities.
7. Vigorous pushing of needed public works for the relief of the unemployed.
8. Legislation to better the mining conditions in Western Maryland.
9. The removal of all political disabilities of women and qualifying women to hold any elective or appointive office and to serve on juries.
10. The planting of oyster shells on barren rocks, maintenance of fish hatcheries and all needed legislation for the protection of the crab.
11. State-use system for prison labor.
12. No additional taxation, but a lightening thereof, if strict economy can make that possible.

As will be shown in detail, every one of these pledges is carried out to the letter in bills which will be submitted to you.

I take the liberty of respectfully offering the suggestion that these bills receive first consideration at the hands of the Democratic members of this Legislature, because they were the basis

upon which we went before the people and secured their trust; and that, before acting upon other matters, you put them in the shape, if you find them not already so, which you believe to be best, in the interest both of the important subjects with which they deal and of the redemption of the pledges to which we who belong to the party in control of this General Assembly are committed; and pass them.

Other matters of unquestioned importance will, of course, be presented for the consideration of the Legislature, but there will be nothing presented of more importance to the party which is charged with the responsibility for the work of this Legislature, than the prompt fulfillment of our platform pledges.

ADMINISTRATIVE CONSOLIDATION.

The leading plank of the Democratic platform of 1921 pledged the party to administrative consolidation, or, to use the more general phrase, state reorganization.

This simply means that we promised that the eighty separate departments, commissions and officials of the State Government should be coordinated or combined, so as to group under one Department those whose work is of an allied or related character, and in this way, and through other administrative improvements, produce a governmental structure which will consist of only about twenty departments, and be able to conduct the public business in a more business-like and expeditious manner, and, above all, in a more economical manner.

It is not necessary to repeat now the causes which led to the need for this undertaking in Maryland, nor the importance of it to the people of the State. Both are well known. It is sufficient to say that this is the issue to which the most prominence was given during the last campaign.

The Reorganization Commission, of which Judge Burke is Chairman, after much thought and labor, recommended a plan for the reorganization of the State Government, along the lines indicated. Copies of this plan are at hand, and bills based upon it, prepared by a sub-committee of the Reorganization Commission, will be submitted to you.

I recommend these bills to your earnest attention. The fulfillment of this platform promise means much to the State, and the bills merit, as I know they will receive, your best thought and consideration. I hope that the necessary legislation will be enacted at an early date.

REDUCTION IN THE NUMBER OF ELECTIONS.

The Democratic party also promised the people of the State a reduction in the number of elections, and a consequent saving in the cost of elections, by abolishing all State and County elections every second year. The measures necessary to accomplish this will be submitted to you, and I hope they will receive favorable consideration.

PUBLIC SCHOOLS.

For nothing has the present State Administration been more solicitous than the improvement of the public school facilities of the State. Much remains to be done before Maryland's public school system will do the work for the coming generations we want it to do and which it must do, and be the credit to the State we want it to be and which it must be.

In the Budget of 1920 I recommended an increase of \$703,000 in the public school appropriations for 1921 and 1922, and the Legislature granted this. In the Budget for 1923 and 1924 I am recommending a still further increase of \$750,000 for 1923 and \$780,000 for 1924. If granted, this will make an aggregate increase of nearly \$1,500,000 each year which the public schools will have received under this administration, over and above what they received before. The appropriation for 1920 was \$2,039,000, so that the increase granted for 1921 and 1922 and the increase now recommended for 1923 and 1924 together represent an increase of 75 per cent. over the 1920 appropriation for public schools.

I have been able to recommend such substantial increases by adopting the policy, which seems to me sound, that the savings which can be realized through imposing rigid economy upon the other departments of the State should, as far as consistent with necessary economy in the cost of the entire State government, be devoted to the public schools.

The total appropriation recommended in the Budget is \$3,500,000 for 1923 and \$3,530,000 for 1924, and the estimated annual receipts from the Normal School of \$84,500 will bring the total amount available for public school purposes for 1923 up to \$3,584,500 and for 1924 up to \$3,614,500.

These funds will put the State Board of Education in a position where it can carry into effect the program, if approved

by you, which, through its most capable Superintendent of Public Schools, it has worked out during the past year, and which will be submitted for your consideration.

That program aims to secure better teaching ability through the payment of better salaries to teachers holding the higher grades of certificates, and through extension courses to third grade teachers in their home communities which will enable them to secure higher grade certificates. It provides for "helping teachers" and "supervisory teachers," and for training teachers already in the service and securing more efficient work wherever the situation is weak.

The program provides, too, for extending the State High School to communities now needing high school facilities, and for producing at least 300 Normal School graduates in 1923 and in 1924 instead of only 80 as in 1921.

Finally, the program provides for an equalization fund which will enable every county in the State to carry the program on a school tax rate of not exceeding 67 cents, and at the same time maintain its school buildings and equipment.

CARE OF THE TUBERCULAR.

The white tubercular of the State are cared for at the State Sanatorium near Sabillasville, in what is conceded to be the best run and at the same time the most economically run institution of its kind in this country.

There is, however, the greatest need for a hospital for the colored tubercular. The Maryland Tuberculosis Sanatorium Commission has recently acquired a site for this purpose, but the money available from former appropriations, approximately \$144,000, is not sufficient for the construction of the proper buildings. Accordingly, the proposed general construction bond issue will provide \$100,000 additional, and this will enable the erection of an institution for the colored tubercular which will care for 100 patients, and meet at last what has long been an urgent call of humanity and health.

HOSPITALS FOR THE INSANE.

Ten years ago exactly the State charged itself with the maintenance of all dependent insane residents (Annotated Code, Vol. I, Art. 59, Sec. 2). Today, a splendid group of four

modern institutions for the insane—Springfield, Spring Grove, Eastern Shore and Crownsville—have rendered the distressing conditions which led to that pledge only memories. These institutions care for approximately 3800 patients. The State institution for the feeble-minded, Rosewood, cares for 700 more. In addition to this, a fine building for the criminal insane, which provides for about 100, is practically completed at Spring Grove, and will be occupied in February or March, 1922.

But the State's pledge has not yet been entirely fulfilled. There are still approximately 400 dependent insane for whom the State has not yet made provision. About 240 of these are at Bay View, about 80 at Sylvan Retreat and the remainder are waiting for admission somewhere. If these are cared for, then it may fairly be said that the State has fulfilled its obligation to the dependent insane, at least until future years increase the number.

It is recommended that this General Assembly complete the task to which the State dedicated itself ten years ago, by providing for these 400 additional patients. This number, roughly speaking, is divided equally between whites and blacks. They can be cared for by the erection of a male and a female dormitory building at Springfield, accommodating 200 whites, and one new building at Crownsville, accommodating 200 blacks.

In addition to these insane, there are a considerable number of feeble-minded waiting for admission to Rosewood. It would be an ideal thing if provision could be made for all these now, but a new Infirmary will shortly be completed at Rosewood, which will enable 50 more patients to be cared for there, making the capacity of that institution 750, and it is recommended that further construction there should wait consideration by the next Legislature.

In addition to the new buildings just referred to, other capital expenditures are required at these institutions.

All of these proposed expenditures will be embodied in the general construction bond issue bill which will be submitted for your consideration, and which will include an aggregate of \$512,500 for construction and equipment at the institutions for the insane and feeble-minded.

It would be very desirable if the State at this time could build the Administration Building needed at the Eastern Shore

State Hospital. Every other construction or equipment need at that excellent institution, however, is provided for in the Budget, and the necessity of making additional provisions for actually insane persons who cannot now be cared for is so pressing that it is recommended that the Administration Building should wait consideration by the next Legislature.

DELINQUENT BOYS AND GIRLS.

No public work is more worthy of consideration than the care of the delinquent boys and girls of the State. This work has usually been classified as corrective and reformatory. In one sense, of course, it is, but in a broader sense it is educational. It deals with boys and girls who, because of various kinds of delinquency, are committed to the State's care, and while discipline is essential, yet the ultimate purpose is to overcome these early tendencies—which so often are due to the failure or inability of both the State and the home to provide measures against them—and to make those boys and girls into wholesome men and women.

In Maryland, this work is done by the Maryland Training School for Boys and the Maryland Industrial Training School for Girls.

The Boys' School is acknowledged to be one of the best in the country. Its most essential need now is a cottage for defective delinquents. This would enable the management to segregate this class of delinquents, which is in line with modern thought and treatment, and at the same time would enable the institution to care for 50 additional boys.

The institution has other needs, which it would be most desirable if the State could grant at this time, but other demands are so many that new construction at the Boys' School should, it is recommended, be confined for the present to this really necessary cottage, and two or three other essential but much smaller capital expenditures; all of which, aggregating \$64,700, will be provided for in the proposed general construction bond issue.

The Girls' School has long been situated in Baltimore City. The conditions there were far from desirable, although everything possible to remedy them was done by the management. The trouble was with the site, and with the inadvisability of rebuilding upon it. What was wanted was a location in the

country, where the proper kind of buildings could be erected, on the cottage system, and where the girls could receive the benefits of healthful outdoor work and exercise.

The means for securing such a site were provided by the last Legislature, and a fine 340-acre farm, known as "Montrose," well adapted for the purpose, was bought in Baltimore County, on the Hanover Pike, above Reisterstown. Construction had to await the sale of the city property. This property was finally sold to Baltimore City, for use as a colored high school, for \$100,000.

This sum, together with nearly \$100,000 additional provided by the last Legislature, is sufficient to pay for the "Montrose" farm, to remodel and equip the Mansion building there, and to construct and equip one new cottage, and leave about \$25,000 towards the construction of still another cottage, the necessary additional amount for which, \$17,000, will be included in the proposed general construction bond issue.

The present accommodations at "Montrose" will care for about 100 girls, or about 20 more than the Baltimore City property could care for, and the proposed new cottage will take care of about 30 more.

The institution is now about to move into its new home, and this event will mark the most constructive forward step the State could take in its care and rehabilitation of these unfortunate girls.

PENAL INSTITUTIONS.

State-Use System.

In 1916 the Legislature directed the State Board of Prison Control to establish a system of labor for prisoners which would supersede the present system of contract labor. The contracts, however, were for long terms, and it was found that nothing could be done until the Board received authority to terminate them.

The necessary legislation was enacted in 1918, and after some lapse of time was finally upheld by the courts of last resort. The Board then revised all its contracts so that all can now be terminated on sixty days' notice. The Board then prepared its plan for superseding the contract labor system.

This plan embodies what is known as the State-use System, whereby it is aimed to establish appropriate industries at the Penitentiary for making articles or doing work for the State, and its departments and institutions.

The plan is well thought out, and, in connection with road work, it will enable the prison authorities to devise for the prisoners work selected, as far as possible, in accordance with their economic needs and which will also assure them a livelihood when released and help them take their places then as law-abiding, producing members of society.

The thing, however, which must always be guarded against is idleness for the prisoners. It appears that the work which admits of being done in Maryland under the State-use system would not be sufficient to occupy all the convicts all the time, and it will be necessary—certainly in the beginning—to supplement that system not only with work on the roads, as at present, but by contract labor as well.

The system, moreover, requires money to install, because equipment and raw materials must be provided.

It does not seem desirable to begin too extensively upon a new venture of this kind, but rather is it advisable to proceed slowly, so that we may learn from experiences how the system is working, how it can be improved and developed, where it is leading financially and what are its economic results.

After a careful consideration of the kinds of State work which may be adapted to this undertaking, it seems that printing for the state departments, making shoes for the inmates of state institutions and manufacturing automobile tags and road signs are the best selections for the beginning.

What is recommended, therefore, is the purchase and installation of the equipment necessary for these purposes. The total initial cost will be approximately \$125,000, which will be provided for in the proposed general construction bond issue.

This will mean a real beginning for the State-use system, which can then be extended as rapidly as is practicable and justified.

At the House of Correction there is not enough work provided to keep all the prisoners occupied, and a new shop building is necessary to remedy this. An additional cell block is also necessary in the women's section, because of the recent transfer of the female prisoners from the Maryland Penitentiary to the House of Correction. Fortunately, both of these

needs can be met from certain unexpended appropriations made to the House of Correction in the Construction Bond Issue of 1920.

It would also be desirable to remodel entirely the old prison section of the House of Correction, but this would involve an expenditure of approximately \$200,000, and the State's more pressing needs are such that it is recommended this should wait consideration by the next Legislature.

MARYLAND MENTAL DEFICIENCY SURVEY.

It has long been felt that the number of mental defectives in Maryland is too large, and that this presents a situation which should be dealt with on adequate and intelligent lines. Accordingly, in the fall of 1920 the National Committee for Mental Hygiene agreed to make a survey of conditions in this State, without expense to us, and I appointed a representative Maryland Commission, with Dr. F. J. Goodnow, Chairman, to cooperate with them.

The survey was completed recently, an exhaustive report of the National Committee's findings is being printed, and this has been referred for study and recommendations to a committee of the Maryland Commission, headed by Judge Jacob M. Moses.

It is hoped that this committee's report will furnish the basis for legislation and policies which will tend to check mental deficiency at its source, and by preventative measures save many who, because of mental weakness, would otherwise become a burden to themselves and a danger to or charge upon the community.

POLITICAL DISABILITIES OF WOMEN.

The necessary bills have been prepared for the removal of the political disabilities of women, which the granting of suffrage did not remove. The purpose of these bills is to establish the eligibility of women for elective and appointive offices, and to serve on juries; and their enactment is recommended.

WOMEN IN INDUSTRY.

During the past summer the Women's Bureau of the Federal Department of Labor, at my invitation, conducted a survey in

this State of the hours and working conditions of women engaged in industry. The full report will not be completed until the spring of this year, but in the meantime a preliminary report has been submitted which it is hoped may furnish the basis of legislation for the benefit of women wage-earners.

CHILDREN'S CODE COMMISSION.

For the purpose of studying the laws of this State relating to children, and of recommending any legislation needed for improving their living and working conditions and their general welfare, I have recently appointed a Children's Code Commission, composed of Judge Carroll T. Bond, Chairman, former Judge Morris A. Soper, Judge T. J. C. Williams, of the Juvenile Court, Mr. George L. Jones, Secretary of the Henry Watson Children's Aid Society, T. Foley Hisky, Esq., Judge Jacob M. Moses, Mr. Henry F. Broening, President of the Baltimore Federation of Labor, Mrs. Charles E. Ellicott and Miss Aimee Guggenheimer. The appointment of such a commission was urged by women throughout the State, and it is hoped that the Commission's report will furnish the basis for important remedial legislation in this field.

CHILD HYGIENE.

The Sheppard-Towner Act, for the promotion of the welfare and hygiene of maternity and infancy, having been finally passed by Congress and approved by the President, a resolution has been prepared accepting its provisions on behalf of this State, and a bill has also been prepared providing for a Bureau of Child Hygiene under the Department of Health, to administer the Act in Maryland, when its provisions are accepted by you.

Upon acceptance of the Act by this State, there will become available to the State, for the purpose of the Act, \$10,000 outright from the Federal Government for the first year, and for each of the succeeding five years \$5,000 outright, and \$14,777 additional in each of these years if matched dollar for dollar by the State.

HEALTH.

The more satisfactory a health department functions, the less, ordinarily, is public attention attracted to it. Epidemics, disease, high death rates receive public notice at once, but their absence is apt to be taken as a matter of course, and the proper credit for good health conditions is usually not given to the part the health department plays in bringing them about.

The Department of Health has been developed during the past ten years, and during that period the death rate in this State from measles, scarlet fever, whooping-cough and diphtheria, compared with the preceding ten-year period, has decreased 23 per cent. Deaths from typhoid fever have decreased 80 per cent.; from tuberculosis, 38 per cent.; of children under five years, 22 per cent.

Since 1914 the Department has conducted an active field campaign to control communicable diseases and to supervise sewerage and water facilities, and certainly a large part of the improved health conditions indicated should be attributed to this.

Formerly, the Department's reporting and records of births, deaths and sickness were not considered reliable by the United States Census Bureau.

Today they rank with Massachusetts in leading all other States.

The present Budget makes an appropriation to the Health Department of \$275,000 for 1923 and a like amount for 1924, which is an increase of \$35,000 each year. This will enable the Department to continue its existing functions, and in addition to complete the deputy state health officers organization of 10 sanitary districts required by the Act of 1914, with a deputy resident in each district, only nine having hitherto been provided for; it will give an additional public health nurse, making three for the State; and it will give the Department \$10,000 a year to enable it to take over the law enforcement work of the State Board of Pharmacy relating to the conduct of drug stores and the sale of narcotics and poisons, for which no adequate funds have ever been provided.

STATE ROADS AND BRIDGES.

*Bond Issue—Severn River Bridge—Maintenance Deficit—
Gasoline Tax—Town Streets—General Work.*

Our splendid system of state roads—the best among all the States of the country—must be adequately maintained, and provision made for its proper extension.

The receipts from the Motor Vehicle Department, after deducting the amounts due Baltimore City, namely, one-fifth of the fees and the equivalent of one-fifth of the proposed road bonds—aggregating over \$800,000 for 1923 and practically \$900,000 for 1924—and two or three smaller charges against these receipts, will leave approximately \$1,600,000 for maintenance and reconstruction of the State roads in 1923 and approximately \$1,882,000 in 1924, which will be sufficient. The overhead expenses of the State Roads Commission are charged jointly against these funds and the proceeds from bond issues.

A road bill will be submitted, providing for the continuance of the present system of financing arterial highways and lateral roads. This bill will call for a State bond issue of \$1,500,000 in June, 1922, and \$1,650,000 in June, 1923, to be known as the "Lateral, Post Road and Bridge Loan of 1922." The money thus raised will be augmented by Federal Aid and by the amounts raised by the counties under the lateral road plan, so that \$3,000,000 will be available for road construction during 1922-1923 and a like amount during 1923-1924.

The \$150,000 additional recommended in the 1923 issue is for necessary reconstruction work on bridges in the State.

In addition to this, funds are already in hand and the contract has been awarded for the construction of the new bridge over the Severn River. This bridge will comprise a series of concrete arches, with double leaf lift span in the centre. It will be wide enough for the passage of three lines of vehicles, and will have a sidewalk on either side. It should be completed by the fall of 1923, so that before the next Legislature meets the present unsightly and perhaps none too safe wooden structure will be replaced by the best modern type of bridge, in keeping with what the approach to the State's capital ought to be.

The State tax levy required to carry the proposed road loan is 9/20 of 1 cent for 1923, 19/20 of 1 cent for 1924, 11½ cents for 1925 and 2 1/7 cents thereafter until maturity in 1938.

There now remains one situation in our road finances which must be met. The maintenance fund, derived from the receipts from the Motor Vehicle Department, shows a deficit of \$1,179,-555.07. This deficit is due to two causes.

When the state road system was first begun, bonds were issued for construction purposes but nothing was appropriated for maintenance. Later on, a one cent levy was made each year for maintenance, and still later the motor vehicle receipts were dedicated to that object, and the one cent levy discontinued.

The funds so raised were never sufficient for the purpose. The roads, however, had to be maintained, and maintained adequately. This was done by borrowing each year from the construction account, and paying as much of this loan back as was possible out of the next year's appropriation for maintenance. This repayment, however, again depleted the maintenance fund, so that it became necessary to borrow again from construction in order to secure money for maintenance purposes.

This process was kept up until, when the present State Roads Commission took office on June 1, 1920, it was found that maintenance owed construction \$645,778.19, as of January 1, 1920. Had this situation been known when the Legislature of 1920 was in session, it could have been met then, but it was not known.

In addition to that, the Legislature of 1920 changed the fiscal years of the Motor Vehicle Department and of the State Roads Commission so as to make them coincide. Before that, the fiscal year of the Motor Vehicle Department began on May 1, and the fiscal year of the State Roads Commission began on January 1. Both were changed so as to begin on October 1, 1920.

From October 1, 1920, both fiscal years went on together, but the immediate result of the change was that the Motor Vehicle Department had only five months—May 1 to September 30, 1920—during which to realize the money which the State Roads Commission was to spend for maintenance during nine months—January 1, 1920, to September 30, 1920. The money realized was, of course, not enough, so maintenance was

compelled to borrow from construction again, this time to the extent of \$533,776.88.

These sums together constitute the present deficit of \$1,179,555.07, which is the amount maintenance has borrowed from construction. The old process of reimbursing construction out of the next maintenance appropriation, and then borrowing again the money needed for maintenance, should not, and indeed cannot continue any longer, so that a way must be devised to provide this amount of money in order to meet the deficit.

Those who benefited from the existence of this deficit are, of course, the owners of motor vehicles who use the roads, which could not have been maintained without it, and it is conceded by them that they should bear the burden of meeting it.

It has been my desire to suggest that method of raising the necessary money which meets the approval of the greatest number of the owners of motor vehicles in the State, and to this end as many of these as possible, including their associations, have been consulted. Practically all of them prefer raising the money through a tax on gasoline, and then, if the tax proves to be practical and satisfactory, making it permanent and reducing the registration fees to a nominal amount.

This tax has already been adopted in Alabama, Arizona, Arkansas, Colorado, Connecticut, Florida, Georgia, Kentucky, Montana, New Mexico, North Carolina, Oregon, Pennsylvania, South Dakota and Washington. Other states are advocating it, and it seems reasonably clear that in the not distant future the gasoline tax will be adopted in all the States.

The reason is that the wear and tear on the roads depends upon the distance travelled, and upon the weight and speed of the car. A registration fee based on horse power does not take any of these things into consideration, but a tax on gasoline directly reflects them all. The tax is, therefore, perfectly fair to all, because it places the burden of maintaining the roads upon all who use them, in the exact proportion in which they use them.

The proposition is to provide a gasoline tax of 1 cent per gallon, beginning June 1, 1922, and continuing until the deficit is wiped out, which, it is calculated, will certainly be not later than January 1, 1924; and on that date to raise the tax to two cents, at the same time reducing the present horse power registration fee to the nominal amount of \$1.00, provided the two cent tax will yield the necessary road maintenance money; and

if it will not, then the registration fee to be reduced proportionately.

This proposition has been formally approved by the Automobile Club of Maryland and by the Automobile Trade Association of Baltimore City, and by all the county and city users of motor vehicles with whom we have been able to advise.

The gasoline tax will do one other thing. Of the total \$1,179,555.07 deficit, the amount already shown to have been owed construction on January 1, 1920, \$645,778.19, was not dedicated to the counties in any way, and it was written off on the books of the State Roads Commission; so that after the remaining \$553,776.88 of the deficit has been returned to the maintenance account, this sum of \$645,778.19 can be released for general construction purposes.

It is recommended that this sum be expended in paving or constructing the main streets of the incorporated towns of the State which connect with the State road system, where this has not already been done. The incorporated towns have long urged this, and it ought to be done, not only for their benefit, but as a need of the entire state road system. The money will be sufficient to complete the paving of all such towns streets.

A bill embodying all these recommendations will be submitted to you.

A few other matters deserve comment.

Immediately upon assuming office, the State Road Commission took up the recommendations which the State Auditor had several times made relative to the method of keeping the State roads books and accounts. An approved method of accounting was installed, whereby the condition of the road finances can be ascertained at any time, and the books are now audited at the close of each year.

The Commission has also put in operation a number of motor trucks, with specially constructed snow plows attached, which are able to clear the highways of snow within a very few hours after the snow ceases to fall. This keeps the roads open for traffic, protects them from the deterioration which the snows of winter have hitherto always caused, and considerably reduces the spring bill for maintenance.

The Chairman of the Commission and the Secretary of State worked diligently to secure a continuance of Federal Aid when the last Congress failed to appropriate it, and the fact that the

necessary bill was finally passed was very largely the result of their efforts.

The Commission has also recently decided to take over the maintenance of the roads within the grounds of State institutions, as the best and most economical way to conserve these roads.

The Commission is eliminating one way bridges as rapidly as practicable. None are now left upon any of the main highways. The commission is also, as rapidly as possible, widening state roads to a width of 20 feet, wherever this is desirable in the interest of safety.

The state highways, generally speaking, have been maintained in excellent condition.

EASTERN SHORE AND SOUTHERN MARYLAND TRANSPORTATION.

This presents a problem at once very important and very difficult. It involves too many elements for adequate discussion here. Railroad, bus line and ferry service must all be considered. The subject is receiving thorough study by this administration through the Public Service Commission, and we are working to bring about a situation wherein each of the three agencies mentioned will continue and will maintain adequate service, each within its own sphere of greatest usefulness to the people, supplementing rather than competing with each other.

UNIVERSITY OF MARYLAND.

Collegiate Education—Agriculture—Medical School.

The Legislature of 1920 merged the Maryland State College of Agriculture and the University of Maryland under the name of the latter. (Acts 1920 Ch. 480.) The government of the consolidated institution was vested in the Board of Trustees of the former State College of Agriculture, who were to be known thereafter as the Regents of the University of Maryland, and under the Act of 1916 Ch. 225 the same persons constitute the State Board of Agriculture.

This legislation has brought under the control of one State-owned institution all the agricultural activities of the State, all the agricultural education which the State gives, the arts and science courses conducted at College Park, the University Hos-

pital, and the Medical, Law, Pharmacy and Dental Schools of the University of Maryland in Baltimore.

From the Budget to be passed by this Legislature, the first since the consolidation, the University of Maryland requested appropriations for these various activities of \$1,215,999 for maintenance in 1923, \$1,169,999 for maintenance in 1924, and \$1,421,500 for land and construction during these two years, making an aggregate for this period of not much less than \$4,000,000.

This is in addition to \$1,875,931 which the institution will receive during the same two years from the Federal Government, students' fees, hospital receipts and other sources.

Moreover, the request of the University for this enormous appropriation states that, in view of the financial condition of the country, many important items, amounting altogether to approximately \$1,500,000, have been deferred.

The basis for requesting these large appropriations is the intention of the University authorities to build up in Maryland a great State University, equipped to give higher education—to use their own language—“to all who are prepared to profit by it,” and which will “maintain the highest standards of work and render a service recognized as equal to the best in the privately endowed and controlled schools.”

I do not believe that the people of the State fully realize the ambitious plans which are on foot for the University of Maryland; the effect these plans, if carried out, are likely to have upon institutions such as St. John's, Washington College and Western Maryland, which have long been wards of the State, not to mention others; and the effect these plans would be certain to have upon the treasury of the State.

I am not here to oppose the idea of a State University. Far from it. We have one, and we want it to be a credit to the State. Such an institution as is contemplated, especially under the ancient and honored name of the University of Maryland, appeals, moreover, to our loyalty and to our ideals.

But it is my duty to see that the people of the State do not become committed to the ambitious plans for extending the State University's fields of activity, without at least the opportunity and the information required to enable them to decide as to the need for such a University in this State and without a clear understanding as to what its cost to the taxpayers will be.

This is not the place for any extended discussion of the subject, but now is the time to indicate the basic questions involved.

The great Universities of the Western States sprang up principally because of the rapid growth of population there, due to immigration. There were few, if any, colleges or universities, and there would have been practically no higher education in the west at all had this not been provided as a State function. Consequently, there was nothing for these States to do except themselves create the facilities for higher education, and this they did at an investment and maintenance cost of millions of dollars.

Likewise in the South, the impoverishment following the Civil War was such that unless the States provided State universities, no higher education at all would have been available in most instances.

But in the Eastern section of the country the case was different. This section was the first to be settled, and colleges and universities grew up and kept pace with the population. There has been no lack in the east of facilities for higher education. There is no such lack in our own State of Maryland.

Therefore, the basic question is, whether Maryland is justified in assuming the enormous expense of building up a great State University, when there are already available, both within and convenient to the State, ample facilities for higher education in colleges and universities which rank second to none, and whose resources it would take millions for us to duplicate, as shown not only by experience elsewhere, but by the initial millions this year asked by the University of Maryland itself.

Another question, but one of very great importance and of statewide interest, is the effect such a State University would have upon the several smaller colleges of Maryland which have always received State aid and which cannot live without it. Should the State continue to support these as well as the State University, or should it let them die, or should it find a place for them as junior colleges?

And, finally, if our people can afford the money which a great State University would cost, will the welfare of the coming generations of Maryland—and after all this is the real point—be better subserved by spending it in that way on higher education for the comparative few, or by spending it on the improvement of our elementary, secondary and high school facilities for the benefit of the many?

Please do not think that I am now presuming an answer to any of these questions. I am only suggesting the problems. We are not now in possession of the information necessary for an intelligent solution of them. It will take time to get it, and then much thought on the part of those most competent to decide what is wisest to do.

I have appointed a Commission—which may be added to—composed of Stuart S. Janney, Chairman, former Governor Emerson C. Harrington, Charles F. Harley, F. Neale Parke, Emory L. Coblenz, Dr. William Rosenau, W. Mason Shehan and W. Mitchell Diggs to study the whole subject and embody their conclusions in a report which can be the basis for general public discussion and for decision as to the course the State should follow. To this committee I have referred the report of the survey which the General Education Board, without expense to us, recently made upon the colleges of Maryland.

In the meanwhile, I have felt that, so far as the present Budget is concerned, the appropriations to the University of Maryland ought to be based on the idea of fostering and extending as much as practicable the agricultural activities of the State—which are the primary object of the college—and of simply maintaining, without any substantial enlargement, what may be called the more strictly collegiate or University side of the institution's work, until the question of what shall be the State's ultimate policy can be determined.

Moreover, I cannot help but be somewhat concerned for fear the agricultural work of the College may not be advancing as we would like. In the year 1921-1922, excluding the summer and graduate school attendance, 622 students were registered at College Park. Of these only 185 were in the College of Agriculture—less than 30 per cent. In the College of Arts and Sciences there were 198, in the College of Education 58, in the College of Engineering 165 and in the College of Home Economics 16.

Further, during the past two years the number of students in the College of Arts and Sciences has doubled, the number in the College of Engineering has increased 50 per cent., but the number in the College of Agriculture has decreased practically 30 per cent.

Without undertaking now to speculate upon the cause of this, the decline at least indicates the desirability of putting in-

creased emphasis now on the agricultural activities and facilities of the College.

Accordingly, the amounts provided for construction in the proposed general construction bond issue are principally for a much needed Dairy and Animal Husbandry Farm, with a Dairy Manufacturing Laboratory; and a Science Hall, where will be centered the teaching of chemistry, plant physiology and soils, all basic to scientific farming; and, in addition, a gymnasium, armory, assembly hall, recreation center and athletic grounds, which are quite essential.

Likewise, under maintenance, provision is made for doubling the work of examining and condemning cattle for tuberculosis, which is having such gratifying results in cleaning the herds of the State; for starting the Dairy Inspection Work; and for increasing the work of County Demonstration, Horticulture, Extension Service and the Experiment Station.

In addition to the usual appropriations to the University Hospital and the Medical School, aggregating \$65,000, over \$30,000 is provided for equipment needed at the Medical School and its Departments.

The great value of the Medical School lies in the public service there is so much need for it to render of graduating physicians who will practice in the rural districts of the State. A very large number of the medical students, however, come from other States, receive their education here, and then return to their homes.

For instance, the enrollment for 1919-20 was 278, for 1920-21 it was 258 and this year it is 297, but a very large proportion of these boys come from outside Maryland; and that most of them leave Maryland when they graduate is shown by the fact that during the last 11 years only 44 graduates from the Medical School went to rural Maryland to practice, 10 more going to Cumberland, Frederick and Hagerstown, and 172 remaining in Baltimore.

The Medical School, of course, educates nearly all the physicians who do go to the counties of the State, small as the number is; but no part of the cost of educating students who come from and go back to other States should fairly be borne by the State Treasury.

It may be possible to devise some way to concentrate State funds so as to stimulate the education of Maryland boys who will become Maryland country doctors. If so, the appropria-

tions to the Medical School should be made on that basis, and this would furnish a strong argument for increased appropriations.

CONSERVATION.

Our seafood industries must be not only protected, they must be cultivated. Enforcement of the cull laws prevents the marketing of undersized commodities, and this work is necessary and is being excellently done, but the depletion of sea food products involves the real problem. It is a problem so large that some day it may present itself as a paramount issue.

In the meanwhile, the Conservation Commission has been giving earnest thought to means for replenishing the depleted oyster bars, and has concluded that the solution lies in the extensive planting of oyster shells.

The Commission last spring planted 93,654 bushels of oyster shells at a cost of \$12,298.17.

The areas selected, after much thought and investigation, were three—one at Harris Oyster Rock, on the easterly side of Tangier Sound and off the mouth of Big Annamessex River; another, about 1½ miles southwest of Point No Point Light-house and about one mile east southeasterly of St. Jerome Creek, adjacent to St. Mary's County; and the third, in the Bay off Calvert County, about one mile southeast of Plum Point Steamboat Wharf.

The results have been encouraging. They appear to show, however, that shells should not be planted before the first of May, and other practical considerations have been disclosed. Time is necessary before really accurate conclusions can be formed, but there seems no doubt that the experiment of shell planting should be continued. The selection of the proper areas is the important thing, because the conditions are not everywhere suitable for successful shell planting.

Provision is made in the Budget for an appropriation of \$25,000 for 1923 and a like amount for 1924 for planting oyster shells. These sums will enable the Commission to plant approximately 250,000 bushels of oyster shells each year, and this should be enough to demonstrate whether the undertaking will yield the desired results. If it does, the next Legislature should make a considerably larger appropriation for the work.

The alarming shortage in the crab supply has been very largely due to the failure of the State of Virginia to pass laws, such as Maryland has done, for the protection of the sponge or female crab during the whole year and limiting winter dredging. A uniform cull law is also necessary. We were finally successful in arranging a conference with the Virginia authorities, in July, 1921, in the office of Secretary of Commerce Hoover, as the result of which Virginia agreed to secure the legislation required on her part, and the uniform cull law, providing for the protection of peelers of 3 inches and less and soft crabs 3½ inches and less, will be recommended to you for enactment.

Provision is made in the Budget for the continued maintenance of fish hatcheries.

The water conservation work of the State is very largely taken care of by the license and other receipts, but under the present Budget there remains an annual balance of \$64,756.09 appropriated from the State treasury, including the \$25,000 for oyster shell planting. Believing that the State's water industries are large enough to carry all the expenses of their regulation, the Conservation Commission recommends that the oyster inspection tax and the license fees be increased to an amount sufficient to provide for the above balance, and thus make the Conservation Commission self-sustaining.

The only hesitancy I have in recommending this now is because of the present conditions in the oyster business and the losses which, for several reasons, those engaged in it have sustained and are still sustaining. I cannot be sure whether or not an increase in fees and taxes would involve further hardships upon the oystermen and packers, without studying the situation with the representatives from the tidewater counties. At the present time, therefore, I simply submit the proposition to you for your serious consideration, as something which should be done if the conditions justify it.

PUBLIC SERVICE COMMISSION.

Last winter a situation demanding the prompt increase in accounting, engineering and inspection facilities made it absolutely necessary for the Public Service Commission either to enlarge its staff at an expense exceeding its appropriation or else continue upon an entirely inadequate basis.

The latter alternative was considered against the public interest, and, as a temporary expedient, to tide over the period until this Legislature met, it was decided, with my approval, to charge the excess cost against the three large public utilities of Baltimore City, which were the occasion for it. The amount needed was \$20,600, and these three utilities divided this among them. As a result, the commission was able to reorganize its engineering and accounting forces, and to prepare for pending investigations without the need of outside experts.

It is, of course, not desirable to continue this method of assessment, because no law authorizes it, and it was simply adopted as the only way to meet an emergency. It suggests the query, however, whether the State ought to pay the cost of regulating the public utilities or whether the public utilities ought to be required to pay this themselves.

The Public Service Commission recommends legislation requiring the utilities to pay this cost, except the salaries of the Commissioners, and a bill providing for this is practically completed, and will be submitted for your consideration. It is deserving of your most serious consideration, because among the regulating bodies of the State the Public Service Commission is practically the only one whose expenses are not paid, either in whole or in part, by the corporations regulated.

The expenses of the State Industrial Accident Commission, the State Insurance Department, the Bank Commissioner, the Tobacco Warehouse Inspector, the Commissioner of Motor Vehicles, the Board of Motion Picture Censors, the State Roads Commission in maintaining highways, the Conservation Commission, the State Game Warden, the State Racing Commission, the State Athletic Commission and the Courts, and the inspection of the railway, gas and telephone companies in Baltimore City, are every one paid, either through license fees or assessments—generally in whole, but in two or three instances in part—by the corporations or individuals who are regulated by these various agencies.

Moreover, in at least 31 States, and perhaps in others, either the entire expense of the Public Service Commissions, or at least the cost of inspection service, is charged against the utility corporations; and the Uniform System of Accounts of the Interstate Commerce Commission provides a special account to which is charged the amounts paid by the corporations for the maintenance of the State regulatory body.

The theory is that regulation charges ought to be paid by those for whose benefit the regulation is required. In the case of public utilities, this expense would, of course, in the last analysis be paid by that portion of the public which utilizes their service, and this is the class for whose benefit the regulation is required.

The question need not be further discussed here, except to say that the Budget submitted today does not contemplate a continuance of the temporary expedient adopted last winter, but appropriates the entire expenses of the Public Commission from the general treasury, because that is the requirement of the existing law.

Should the Legislature decide to pass the bill placing this expense upon the utilities themselves, then in a Supplemental Budget I will strike out this charge against the treasury. Incidentally, the saving effected would be not much less than one cent on the State tax rate.

INCREASED REPRESENTATION FOR BALTIMORE CITY.

In fulfillment of the majority party's pledge, a bill has been prepared for the submission to the people of a Constitutional amendment which, if adopted, will give Baltimore City two additional Senators and twelve additional Delegates in the Legislature.

This proposed amendment provides for two additional districts in Baltimore City, so that one of the two new Senators and six of the twelve new Delegates may come from each new district.

The actual number of districts, however, which Baltimore City is to have, their boundaries, and the apportionment thereto of Baltimore's proposed additional representatives, should be determined by the Legislature after consideration of the report of the commission appointed last spring to recommend a plan for re-division of the ward lines of Baltimore City.

This commission is composed of Judge James P. Gorter, Chairman, Judge John C. Rose, Charles H. Carter, Esq., John M. Requardt, Esq., and William H. Maltbie, Esq. Their report suggests twenty-four wards, and is accompanied by a map indicating the boundaries for these which they recommend.

The commission's recommendations have but recently been submitted, and there has been little opportunity to study them.

They will be promptly submitted to you, and it will be for you to determine whether they should be adopted or modified, and, in either case, to determine the proper plan for redistricting Baltimore City, and for apportioning her proposed new Senators and Delegates.

MARYLAND STATE POLICE FORCE.

The present force, comprising about 35 men on motor cycles, was organized by the Commissioner of Motor Vehicles under the motor vehicle title registration law (Acts 1920, Chap. 407), which provides that the title fees may be used for additional deputies, who have authority to enforce the motor vehicle laws. In order to give them the power of general arrest, it was necessary to have them sworn in by the Sheriffs of the different counties, and this was done in nearly all the counties.

It is believed that this force has justified itself as a needed, potent agency for the maintenance of law and order and for the security of the people in their lives and property.

There appears, however, no need for an enlargement of the force, not only because of the expense which this would involve, but because the present force of 35 men is sufficient for its purpose.

The title fees, however, will not continue large enough to carry the expense, and in any event the force ought to be put upon a definite basis, with its powers and duties defined, and a direct appropriation made for it.

Accordingly, in the Budget the items in the appropriation to the Commissioner of Motor Vehicles which provide for the continuance of the present force of 35 men are segregated. They amount to \$89,400 for 1923 and \$89,900 for 1924. A bill will be submitted to you prescribing the organization and powers of the force.

INCREASED JUDICIAL SALARIES.

The blessings of law and order and the enforcement of the civil rights of the people depend upon the ability, character and fearlessness of their Judges. The best Judges can only be secured and retained if adequate salaries are paid them, and the present salaries can hardly be called adequate.

Under the Budget Amendment of the Constitution, however, the Governor is required to insert in the Budget the existing judicial salaries, and the sole power to increase these rests with the Legislature.

I can only, therefore, recommend that you earnestly consider the desirability of making a reasonable increase in the salaries of the Judges of the State.

ARMORIES.

It is necessary that the new National Guard now in process of organization should be provided with suitable armories in the counties, which when not needed for military purposes, may be available for community gatherings.

Outside of Baltimore City, the State already owns armories in the cities of Annapolis, Bel Air, Cambridge, Elkton, Hyattsville, Salisbury, Westminster, Frederick, Cumberland and at Pikesville. The State leases armories in Hagerstown, Centreville, Crisfield, Chestertown, Silver Spring and Easton. The State is now negotiating for the lease of an armory at Kensington to replace the state-leased armory there recently destroyed by fire, and at Dundalk aviation grounds are under lease for the Divisional Air Service.

The Adjutant General recommends the construction of four new armories at Hagerstown, Centreville, Silver Spring and Cumberland, as well as certain necessary alterations and repairs to the Fifth Regiment Armory in Baltimore City and to other State military property. It is estimated that these new armories would not cost more than \$250,000, and the alterations and repairs will cost about \$70,000 additional, making a total of \$320,000.

The lot of ground at the northeast corner of Maryland and North avenues, in Baltimore City, was purchased by the State some years ago at a cost of about \$200,000, for the purpose of erecting thereon an Armory for the Fourth Regiment. Subsequent conditions made this Armory unnecessary, and the Act of 1918, Chap. 347, authorized the Board of Public Works to sell the property, but thus far it has not been disposed of.

It is estimated that this property is now worth at least the sum mentioned above as needed for four new armories and for alterations and repairs, and accordingly it is recommended that the Board of Public Works put the property on the market.

and that when sold the proceeds be devoted to the construction of armories in the cities suggested, or in such others as the Legislature may consider advisable, and to necessary repairs and alterations of existing military property.

A bill carrying out this recommendation will be submitted for your consideration.

DEPARTMENTAL LEGISLATION.

General—Mining Bill—Baltimore City Police.

In addition to the bills which have been mentioned, nearly all the departments desire more or less legislation relating to their work which they consider necessary or desirable. These bills are practically all prepared and ready for introduction. They hardly require comment here, except to commend them to your careful consideration.

The bill drafted by the Commission appointed, pursuant to Acts 1920, Chap. 715, to prepare a mining law code, should, however, be mentioned. This Commission consists of Hon. William Milnes Maloy, Chairman, representing the public, G. Marshall Gillett, representing the operators and William J. Trickett, representing the miners. The Commission has prepared a bill which, if passed by you, will, it is believed, promote and protect the comfort, safety and health of the more than 6,000 miners who in normal times work in the bituminous coal regions of Western Maryland, and will also help much in conserving the minerals of the State. This bill seems to adjust at last the differences which have existed for so many years between the miners and the operators, and which have appeared with so much regularity at each session of the Legislature; and for this reason especially is it deserving of your consideration.

Special reference should also be made to the bills providing for the reorganization of the Baltimore City Police Force, along lines adapted to the needs of a great city. The requirement in one of these that the police shall be supplied with uniforms at public expense, and not be compelled to procure them at their own expense, is certainly no more than fair, and should not be lost sight of amid the other and more far reaching propositions involved.

PROPOSED GENERAL CONSTRUCTION LOAN OF 1922.

A loan of \$1,500,000 for general construction purposes is recommended. This will take care of the building and equipment needs of the State institutions, the more important of which have already been referred to. For convenience, these are all summarized here as follows:

Spring Grove State Hospital—		
New bake shop.....	\$10,000	
Fireproof floor in laundry.....	5,000	
Sewage system.....	25,000	
		\$40,000
Springfield State Hospital—		
New dairy barn.....	\$20,000	
One male and one female dormitory and equipment.....	200,000	
Payment of mortgage.....	8,000	
		228,000
Crownsville State Hospital—		
New Service Building and equipment	\$200,000	
Boiler.....	4,500	
Sewage disposal plant.....	15,000	
		219,500
Rosewood State Training School—		
Equipment for new Infirmary.....	\$10,000	
Water supply and sewage disposal plant.....	15,000	
		25,000
Maryland Tuberculosis Sanatorium Commission—		
Colored Tuberculosis Sanatorium and equipment.....		100,000
Maryland School for the Deaf—		
New heating apparatus, cold water piping, underground storage tanks and plumbing fixtures.....	\$25,000	
Power plant.....	21,500	
		46,500
Maryland Training School for Boys—		
Land for water rights.....	\$1,200	
Frame farm house.....	3,500	
Water supply system.....	10,000	

Defective delinquent cottage and equipment.	50,000	
	<hr/>	64,700
Maryland Industrial Training School for Girls—		
New cottage and equipment.	\$17,000	
Road.	8,000	
	<hr/>	25,000
State Board of Prison Control—		
Maryland Penitentiary:		
Remodelling "G" Dormitory.	\$25,000	
Printing presses and equipment.	42,000	
Shoe shop equipment.	6,000	
Automobile tag and sign plant and equipment.	52,000	
	<hr/>	125,000
University of Maryland—		
College Park:		
Gymnasium, Armory, Assembly Hall, Recreation Center and Athletic Grounds.	\$142,000	
Science Hall	152,000	
Animal Husbandry Farm, includ- ing land and Dairy Laboratory Manufacture.	71,300	
Lighting grounds and fixing roads	4,200	
Water and sewer connections.	5,500	
University Hospital:		
Equipment for Nurses' Home.	15,000	
Installing refrigerating plant and equipment at Hospital.	10,000	
Equipment for School of Dentistry	3,150	
Equipment for School of Phar- macy.	3,150	
	<hr/>	406,300
Memorial to Soldiers, Sailors and Marines of the World War, in addition to \$200,000 already provided.		200,000
St. John's College—		
Heating plant.		20,000
	<hr/>	
Total.		\$1,500,000

It is recommended that this loan be issued in three amounts of \$500,000 each, on August 15, 1922, February 15, 1923 and August 15, 1923, respectively; and that the money be made available for the above purposes as follows:

	Aug. 1922.	Feb. 1923.	Aug. 1923.
Spring Grove State Hospital	\$40,000		
Springfield State Hospital..	20,000	\$100,000	\$108,000
Crownsville State Hospital..			219,500
Rosewood State Training School	25,000		
Maryland Tuberculosis Sana- torium Commission	100,000		
Maryland School for the Deaf.	46,500		
Maryland Training School for Boys.	14,700	50,000	
Maryland Industrial Train- ing School for Girls.	25,000		
Maryland Penitentiary	105,000	20,000	
University of Maryland.	103,800	204,500	98,000
Soldiers' Memorial		125,500	74,500
St. John's College.	20,000		
	<hr/>	<hr/>	<hr/>
	\$500,000	\$500,000	\$500,000

The State tax levy required to carry this loan is 1/5 of 1 cent for 1923, 9/20 of 1 cent for 1924, 2/3 of 1 cent for 1925 and 1 cent thereafter until maturity in 1938.

STATE TAX RATE FOR 1923 AND 1924.

There still remains one party pledge, and only one, for this Democratic Legislature to redeem, namely, the pledge "that the people of Maryland shall not have any additional burdens in State taxation placed upon them. On the contrary, they shall receive such a lightening thereof as honest, intelligent public service and strict economy may be able to give."

Following are the total amounts (1) requested for all departmental, institutional or other purposes, or for which the State is obligated, for the fiscal year ending September 30, 1923 (1924 general construction requests, however, being combined with those for 1923); (2) the amounts allowed and (3) the amounts disallowed or not recommended:

1923.	Requested.	Allowed.	Disallowed.
State Departments and Institutions, Maintenance..	\$14,142,616	\$10,110,037	\$4,032,579
Miscellaneous.	1,222,272	1,222,272	
State-Aid.	1,022,278	918,550	103,728
Judiciary.	219,485	219,485	
Public Debt (Interest and Sinking Funds).....	2,850,000	2,850,000	
General Construction, 1923.....	3,868,166}		
General Construction, 1924.....	264,000}	1,500,000	2,632,166
Road Construction	1,600,000	1,500,000	100,000
	<u>\$25,188,817</u>	<u>\$18,320,344</u>	<u>\$6,868,473</u>

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These figures include everything except:

1. Requests for armories, \$320,000, because these are granted from the proceeds of sale of the Fourth Regiment Armory lot in Baltimore City, and are dependent upon this sale being made.
2. Paving town streets, \$645,778, because this is to come from the proposed gasoline tax, and is dependent upon that tax being adopted.

Similar data for the fiscal year ending September 30, 1924, is as follows:

1924.	Requested.	Allowed.	Disallowed.
State Departments and Institutions, Maintenance..	\$14,336,754	\$10,198,792	\$4,137,962
Miscellaneous.	1,075,272	1,075,272	
State-Aid.	1,022,278	916,550	105,728
Judiciary.	220,640	220,640	
Legislature.	211,354	211,354	
Public Debt	3,150,000	3,150,000	
General Construction (included in 1923).			
Road and Bridge Construction.....	1,750,000	1,650,000	100,000
	<u>\$21,766,298</u>	<u>\$17,422,608</u>	<u>\$4,343,680</u>

The revenues of the State for 1923 and 1924, assuming that the sources of revenue now existing will continue, and the disbursements for the same years, on the basis of the Budget submitted today, excluding road and construction bonds, but including interest and sinking fund charges, will be as follows:

1923—

Revenues from all sources, including estimated balances as of October 1, 1922 . . .	\$16,942,113.75
Budget appropriations and Public Debt . . .	15,320,344.21

Estimated Balance, Sept. 30, 1923	\$1,621,769.54
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1924—

Revenue from all sources, including estimated balance as of Oct. 1, 1923	\$16,198,986.35
Budget appropriations and Public Debt . . .	15,772,608.43

Estimated Balance, Sept. 30, 1924	\$426,377.92
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A surplus on September 30, 1924, much less than \$426,000 would hardly be a proper margin of safety, but this amount will be sufficient.

In order to realize this ultimate surplus, and at the same time provide for all Budget appropriations, including the charges on existing bond issues and on the two proposed bond issues,—one for roads and the other for general construction,—a State tax sufficient to raise \$4,500,000 in 1923 and a like amount in 1924 will be required. The revenues from sources other than direct taxation will be sufficient each year to raise the balance.

On the 1923 assessable basis, a levy of one cent, allowing for non-collections, will yield \$150,000, so that a levy of 30 cents will raise the \$4,500,000 needed each year from direct taxation.

The Budget submitted today, therefore, means, that if the existing sources of State revenue continue, then, with all State business needs taken care of; with the public schools, through a 75 per cent. increase in their appropriations during a short two years, on the threshold at last of their goal and their opportunity; with a fitting response to the call of humanity for the sick, the afflicted and the unfortunate; with the interests of the farmers fostered and the roads and the town streets provided

for; and in the face of the inability of the Federal Government at Washington and of the municipal administration in Baltimore City to give any relief at all to the many who are oppressed by high Federal and City taxation,—the State government of Maryland, through the exercise of an economy which is rigid but at no point hurtful to any function or duty of public service, is able to give the people of Maryland a State tax rate of 30 cents for each of the next two years, a reduction of 5 cents from the present rate.

This saving of 5 cents amounts in money to a saving of \$750,000 a year. In the last campaign, the Democratic party promised the people that if they entrusted us with the majority control of this Legislature, we would save for them \$500,000 a year in the cost of government. The people gave us much more than a majority control, and already we have kept the faith. For now, on the first day of this session, the Democratic party offers the people a saving of \$750,000 a year, or a quarter of a million dollars more than we promised.

When the present Democratic administration began in 1920, the State tax rate was 36 $\frac{31}{72}$ cents. This was reduced to 35 $\frac{1}{3}$ cents for 1921 and to 35 cents for 1922. The 30-cent rate now recommended represents a total reduction of 6 $\frac{31}{72}$ cents. On the basis of the present yield of \$150,000 for each one cent, the annual saving from this reduction is \$964,573, and this means that this Democratic administration, under the present Budget, will save the people of Maryland just \$35,427 short of \$1,000,000 every year on their tax bills.

This does not take into consideration the savings which will result from the reorganization of the State government, the savings which will result to the counties and to Baltimore City from the adoption of the plan for a reduction in the number of elections, or the savings which will result if other remedial legislation, which will be offered, merits your approval

CONCLUSION.

Let me now conclude with a personal word. I have not been Governor of this State for two years without making my share, perhaps more than my share, of mistakes. There are things which, had I to do them over again, I would do the same way, and there are many other things which, looking back, I would do differently.

But the promise I made to the people of this State two years ago, on assuming the responsibilities and the obligations of office, was that "to the faithful, conscientious and untiring discharge of these responsibilities and obligations, I pledge the best that is in me and all that is in me."

That promise I have tried to keep. Today, I want to renew it; and I renew it with a much truer realization of what it means and the difficulties it involves, but also of the imperativeness of it, than I could possibly have had two years ago.

For the next ninety days you and I have a common problem, a problem which rises above narrow partisanship and selfish considerations, that of trying to do what is best for the State we all love. We cannot do that apart. We can do it together.

Let us do it together. There are many before me whose friendship I am fortunate in having, and value truly, and want to deserve. The friendship of the rest I would like to earn and to keep. So there is every reason why we should work in harmony for the aim we all have.

I am ready to do, I want to do, my part. The Budget is completed; the legislation which the administration has to offer is practically all prepared. I have nothing to do now except try always to co-operate with you, and to be grateful for your counsel, your advice and your help, if you will give them to me, in working out with you our common problem in a way which will be a credit to the State and an honor to yourselves.