

Caucus supports windfall plan

By Quincey Johnson

ANNAPOLIS, MD. (UPI) — Maryland's Legislative Black Caucus has come out in support of Gov. William Schaefer's spending plan to use the bulk of the \$179.6 million the state expects to get from federal income tax reform to help the needy.

Del. Howard "Pete" Rawlings, D-Baltimore, said the caucus believes the Schaefer administration wishes to make "significant" contributions to helping the poor.

"The change in federal tax reform leaves the state with a unique opportunity to help the disadvantaged of Maryland," Rawling said in a news conference. He called Schaefer programs to help the low income

homeless and mentally ill "innovative."

But the support of Schaefer's plan to give two-thirds of the expected revenue to on-going state programs does not come without reservations from some black lawmakers who want to see more money going to help the impoverished.

Del. Clarence Davis, D-Baltimore, said the governor should attempt to give more money to colleges other than the University of Maryland College Park.

He said he is dismayed that there was no money for enhancement of historically black colleges.

"Looking at the governor's overall package, it is hard not to

support it," Davis said.

Del. Nathaniel Exum, D-Prince George's agreed saying the Schaefer proposal best fit the agenda of the caucus.

"We didn't want to go on a collision course with the administration," Exum said, noting that other proposals would give the disadvantaged much less.

The caucus has presented the administration with two amendments. One would give tax relief to families headed by a single parent, the other would exempt the poor from paying local taxes.

Of the \$179.6 million the state expects to get in fiscal 1988, Schaefer plans to use \$34.9 million for education and health programs, \$49.3 million

for social services and health programs, \$49.3 million for increases in education funding and special programs and \$33 million to cover losses from the savings and loan crisis.

The rest of the windfall - about \$62.4 million - would be returned to low-and middle-income taxpayers as tax credits.

Schaefer's plan has met with stiff opposition from key lawmakers.

Sen. Laurence Levitan, D-Montgomery and chairman of the Budget and Taxation Committee has said his panel will probably vote to return most of the money to taxpayers, by increasing the personal exemption and other methods.