

know, as Governor I have a constitutional obligation to present a budget in which State expenditures are balanced by State income.

My first budget as Governor, presented to and approved by the General Assembly last winter, appropriated some \$205 million in general funds and was balanced without the necessity of imposing new taxes or increasing the rates of existing ones. It offered a fiscal program demanding a strict economy in the operation of governmental agencies and functions, but in no case was there impairment of State institutions and agencies or curtailment of services and programs. Maryland today finds itself in a most enviable position financially in comparison with most of the states of the union. . . .

This is no more than a summary of the program we have undertaken in your State capital. It is a program that is to be intensified and expanded as time goes on. We must remember, as Democrats, that the people of Maryland will demand an accounting from us at the end of this term, and at that time we must be able to show them by our performance that they were justified in the confidence they reposed in us in the election of 1958. We will, indeed, face a reckoning sooner than that, for the crucial national election contest of 1960 may well be determined by the achievements of state and local governments which our party controls. There are indications all about us today that a great majority of Americans are weary of Republican blundering and misrule and are eager to return to power the party of all the people. But our opposition is rich, resourceful and cunning, and we cannot expect a Democratic victory in 1960 without a major effort.

I know that we can rely on all loyal Democrats in Maryland to expend that effort next year. Meanwhile, I think we should concentrate our energy upon giving the people of Maryland the kind of state and local governments they want and need, showing them, through our action, that the Democratic Party once again is prepared to assume the leadership of the nation. All of us are well aware of the growing influence of women in American politics. Those of us who ran successfully in the campaigns here in Maryland last year are conscious of the invaluable contribution made by the women of Maryland.

Without your assistance, the cause of our great Democratic Party would be hopeless. We know that we can continue to rely upon you next year, and all the years of the future, just as we have in the past, and with your help we are sure to attain the victory all of us so earnestly desire.