

Most of you know that early this year, I submitted for consideration by the General Assembly of Maryland a budget that called for substantial increases in appropriations for education, health, welfare and other State services. Following a pattern of the previous five years, most of these increases in state expenditures served to finance the fight against poverty, ignorance and ill-health. In addition to normal budgetary expansion, it also became apparent that a bold new program for the support of public education in Maryland, including substantial increases in teachers' salaries, must be undertaken if Maryland was to continue to maintain its position of leadership in the field of education. Following the recommendation of the Legislative Council's Special Committee on Taxation and Fiscal Affairs, I included in the supplemental budget a sum in excess of \$16 million to finance this new school program. This program, which went into effect on July 1, 1964, has been praised by prominent men and women who are recognized experts in the field of public education. I have always liked to consider myself a responsible public official—one who believes that government should be responsive to the needs of the people it serves and that public servants should, at all times, be faithful to the laws they are sworn to uphold. In this latter regard, I would like to point out—and this is important to remember—that the laws of Maryland as interpreted by three Attorney Generals and the Court of Appeals of Maryland require that the State operate under a *balanced budget*.

In order to achieve a balanced budget, I should like to point out that, I must accept the estimates of revenue of the three member State Board of Revenue Estimates in the preparation of the budget prior to its submission to the General Assembly for review. The members of this board are State Comptroller Louis L. Goldstein, who is chairman; Budget Director James G. Rennie and State Treasurer John A. Luetkemeyer. It is incumbent upon me to prepare the budget within the framework of their report to me. Using the estimates of revenue furnished me by this Board of very responsible State officials, I must compare future anticipated income to the State with planned expenditures to determine if the proposed budget is balanced. If, with these figures before me, I find that the proposed budget is not balanced then I must either cut expenditures or raise the necessary revenue through the enactment of a tax program. During the last session of the General Assembly, I was not in the least disposed to eliminating necessary expenditures for public education, thereby shortchanging future generations of Marylanders merely to satisfy the demands of present day critics. Nor was I inclined to withhold financial support from other essential programs such as health, mental hygiene and public welfare.