

the State Legislature. This, as advertised, is what we're calling the "120 million dollar question."

The plan is a tax revision coupled with a tax increase based on estimates of State needs that have been compiled by four successive commissions studying the problem. Ninety-five million dollars of this money is not a tax increase. Ninety-five million dollars is to be routed directly to the local governments, to the cities and the counties, for the purpose of giving the cities and the counties a chance to meet the local needs of education, police protection, fire protection and all of the other necessities, so that they will not have to raise the property tax in the exorbitant amounts that they've had to raise them recently. Now, you all know that the property tax is bearing a great deal too much of the burden of government. This is not my idea and it's not the idea of the fiscal experts in Annapolis. It's the idea of the national experts, of the bond rating agencies all over this country. They recognize that the property tax ought not to be used as it has been used to raise 90 percent of the cost of local government.

Our program, as a matter of fact not only our program but every program that's been talked about in the Legislature this year, is geared toward the idea of providing this \$95 million to the cities and counties to meet their local needs. Now, the \$95 million will reduce whatever the property tax would have to be increased next year by that amount, and we'll get into that later on. The \$25 million does represent a tax increase. It represents the projected needs of the State to service many vital things such as improvements to the correctional system, to provide the State employees with sufficient pay incentives and overtime, to increase rates which now keep us from being competitive and keep many vital jobs in the State service vacant. The State is a competitor with industry and business and we cannot efficiently administer our government unless we can meet the competitive market in hiring people that can actively and accurately reflect the best type services for our state. This \$25 million has been said on many occasions to be necessary by people who are totally dissociated with the administration or with any other part of the existing State government.

I point out to you again, and I emphasize, that \$95 million of the \$120 million question is not a tax increase; it's a redistribution of taxes, realignment of taxation, and I want you to remember that that's true. Now, we're going to talk about the individual in this regard very shortly, and when we get to the individual you'll see