

begins to become reflected in future revenue estimates, will meet the needs of the State in the future.

Right now we are in a very unusual position. We don't know exactly what this tax is going to produce. We must rely on the current revenue estimates which are rather discouraging due to a 12 million dollar deficiency in the sales tax, which incidentally is not a Maryland problem but a nationwide problem due to the decline in construction starts. And we cannot do anything other than pull in our belts and cut our budgets back at the present time.

We feel that the more recent revenue estimates that will be available in the near future, possibly in January or February, may show a better picture. If this is true and we have additional revenue, some of the vital cuts that have been made in important programs such as the University of Maryland and mental health and other very vital things will be restored by way of supplemental budget. Right now we can't do any more than cut them based on information we have. But there will be no — and I repeat no — major revision of the sales tax in the foreseeable future or the individual income tax. I did mention that in the event of a grave crisis, that may occur in two years or better, we may have to look at the sales tax again. There is no study under way, however, and this won't be done unless something very extreme results. We don't anticipate that's going to happen.

Questions and Answers

Q. Governor, along the line of spending, I understand the Convention Committee on the Judiciary and perhaps some of the other leaders hope to have the new unified State Court system in operation on July 1st. Could you favor an appropriation for this purpose in the 1968 Legislature even though the people will not have voted on the Constitution until after that's over?

A. I'm of the viewpoint that we should not rush to implement these things unless we are certain that they are going to be adopted, particularly since we face such a bleak revenue picture at the moment. Regardless of how optimistic anyone might become about future revenue estimates, I don't feel we should go ahead and make arrangements to spend money until we're certain it's there. I think these reforms must of necessity wait beyond the period you mentioned.

Q. Governor, you mentioned the University of Maryland, which is a matter of public record and Mental Health, which is not. What other areas have substantial cuts been made in, or are being made right now?