

A. I don't know enough about it to voice an opinion, Max. I've got to say this, that I'm extremely leery of the extension of public subsidies into private areas unless there is an extremely well-documented crisis to meet. There is no way to stop these extensions, and when the public payroll is approaching levels that it presently approaches, where we're having difficulty even meeting our needs, I don't want to open up these new avenues unless there is an extremely vital necessity for going into such a program. And let me just say this in regard to the budget and in regard to the supplemental budget: I'm greatly concerned about reports I have been hearing that there may be a tendency on the part of certain members of the Legislature to advocate the removal of the pay-as-you-go funds from this budget. There is 10 million dollars as a down payment for capital improvements. If this money is removed for the political expedient of making the Legislature look good, by cutting the budget, it will do irreparable harm to our fiscal position. It will put us in a position where we will later have to pay back 4 dollars for every 3 dollars borrowed, and to my mind it will represent an irresponsible move on the part of the Legislature. I strongly urge the leadership to take immediate action to prevent the frivolous deletion of this needed down payment on capital improvement. At a time when we're faced with supplemental budgets which we hope to have in the early part of next week, at a time when we're faced with the need to extend this 52 million dollars of capital budgeting, it seems to me that we have got to establish a precedent of being willing to pay something down on the money we're spending. We can not leave it as a reduction and leave it as the obligation of future generations.

Q. Governor, on that 10 million dollar pay-as-you-go plan, don't you think they are acting more against the philosophy than the money itself, by going back to the old system of keeping the lid on 50 thousand dollars?

A. Well I don't know what their purpose is, but I just feel extremely strongly about the need to make a down payment on these capital improvements. In speaking with the bond rating agencies, who are really responsible for what kind of credit risk the State of Maryland continues to be, they have reflected a great deal of concern; not about Maryland, but about all state and local governments who are making a trend toward the idea of financing everything with borrowed dollars. It's a trend we must reverse, in my opinion.

Q. Has anything been decided in the supplemental budget on the exact figure to be sent to Welfare for food allowances?