

Less than two years ago, I set forth the spirit and objectives of our administration and, suddenly, it is time to judge the record of that administration. It is your record as well as mine, so a mid-point scrutiny shall serve the interest of all Marylanders.

In my inaugural address, I spoke of three broad goals for Maryland — *fiscal reform*, administrative reorganization and Constitutional modernization. The first we have achieved, the second is well under way and the third has failed.

Fiscal reform will unquestionably stand as the greatest single accomplishment of the Agnew administration — and quite probably of this Legislature, which has worked so cooperatively with me. A progressive tax structure replaced a regressive one, establishing a far more equitable sharing of the tax burden and a far more effective distribution of State tax revenues. For low income families and our elderly, *fiscal reform* brought financial justice. For our burgeoning metropolitan counties, fiscal reform provided the additional revenue and resources that are essential to finance expanding services.

Fiscal reform recognized the special needs of Baltimore City in such ways as the allocation of extra millions for inner City schools. It recognized the need for an infusion of State funds into primary and secondary education. It paved the way for our first Statewide kindergarten system and, subsequently, moved Maryland's educational ranking from the twelfth to the fifth highest in the Union. It recognized the very real problem of escalating crime and provided State aid to subdivisions for improved law enforcement. This move was without precedent, not only in Maryland but throughout the nation. Ultimately, fiscal reform was expanded to move toward equity and a streamlined structure for business taxation, thus encouraging our State's economic growth.

While our fiscal restructuring can scarcely be viewed as flawless, it has stumbled because of money and not because of principles. With the insight that only experience affords, we now realize that the political compromises on the legislation were costly; and that the rosy predictions of surplus by the professional "watchdogs" were fantasy. However, the concepts which guided fiscal reform — a more equitable sharing of the tax burden and a friendly hand up for hard-pressed local governments — remain valid.

In addition to fiscal reform, which accomplished the greatest good for the greatest number of present and future citizens, I treasure our strides in the advancement of human dignity. In our first legislative