greater capacity to connect Baltimore City with Washington and also to connect Annapolis with Washington.

In addition to the matters involving the construction and building of roads and bridges, and the planning for additional roads and bridges, the State has recently taken steps to acquire the Claiborne-Annapolis Ferry, connecting the Eastern and Western Shores of our State, to be operated as an integral part of our roads system. This purchase already has been conditionally approved, subject to the passage by the General Assembly of legislation which will make possible the reduction of rates and improvement of service.

When we realized that Federal funds due the State were in jeopardy we immediately set up a priority schedule of Federal Aid Projects, which included twenty-one projects that had to be under project agreement by June 30th, 1940. These projects involved approximately two million dollars of Federal money with the matching of State funds for the primary and secondary programs. The total of the projects which had to be put under construction amounted to nearly \$3,500,000, of which \$630,000 was grade-elimination projects, which the State was not required to match. The financial position of the State Roads Commission of Maryland is, I believe, better than it has been for a number of years past, and its accomplishment in adding more mileage of improved highways and modern facilities to the System of Roads, consisting of high type trunk highways and bridges and other major road system facilities, has improved the State System noticeably.

Due to the preparation of the Budget applicable to the fiscal year 1940, and following the promise previously made that no road funds would be diverted to other road purposes, the receipts from gasoline taxes and from fees paid to the Commissioner of Motor Vehicles, have increased vastly compared with previous years. The increased gasoline tax and other road incomes have done much to benefit the road systems of the State, of the Counties, and the City of Baltimore has received considerably more money for street improvements. These increases pledged to the betterment of the Road Systems, have enabled a higher standard of road maintenance with respect to the State System of Roads and on those roads comprising the County Systems, as well as the construction of new projects.

During the year 1939, 110.18 miles of newly constructed roadways were added to the State System of roads, and during 1940 there were placed under contract for construction, additional projects which will add 87.68 miles of roads to the State System. These projects do not express with any degree of exactness, the total accomplishments on improved roadways of the State System, for during the past two years many miles of additional roadways were resurfaced and widened by the State Roads Commission forces and by the sward of contracts for this type of improvement.

The Commission, through its policy of constructing or reconstructing portions of its roadways by the employment of WPA labor forces, has reconstructed and widened 97.35 miles of highways in various locations in the Counties of the State. Projects of betterments of this kind are considered essential, both from the viewpoint of relieving the unemployment situation in several sections of the State, as well as the accomplishment of much needed road improvement on those sections of the highways selected for work of this character.