

years, it follows that an additional appropriation of \$114,461.00 in 1942 and \$89,869.00 in 1943 will be needed to establish an adequate system.

According to Mr. Buck's report, the contribution by the State totals 4.01% of the payroll and is composed of a normal contribution of 2.07% plus the cost of accrued liability for prior service amounting to 1.94% of the payroll. The latter amount will, of course, be amortized and paid off in the future.

The Pension System for Judges requires special consideration, as I regret to say that our State has not accorded deserved retirement allowances to our Judges. Other States, including those near Maryland, are more considerate in this respect. I favor an increase in Judges' pensions and will cooperate in the presentation to you of legislation with requested appropriation for this purpose.

The largest increase to any single department is made to the State Department of Education and the increase amounts to \$438,147.05 in 1942. However, from this increase should be deducted an adjusting figure of \$102,501.00 since the appropriation for the Teachers' Retirement System in 1941 for Baltimore City, having been overpaid in previous years, required \$102,501.00 less than would ordinarily have been appropriated. The increase for 1943 is \$218,560.00 additional. The adjusted increase is, therefore, \$335,646.05 for 1942.

The items which carry these increases are as follows:

	1942 over 1941	1943 over 1942
High School Aid.....	\$21,681.00	\$12,189.00
Part Payment of Salaries.....	9,153.00	1,600.00
Equalization Fund.....	242,769.00	137,112.00
Physically and Mentally Handicapped Children.....	350.00	
State Board of Education Expenses.....	100.00	
Physical Education and Recreation.....	1,000.00*	600.00
Bureau of Educational Measurements.....	448.00	
Vocational Rehabilitation.....	804.71	
Teachers' Retirement System.....	159,623.00	64,659.00
State School Survey Committee.....	6,000.00*	
State Department of Education.....	3,274.34	100.00*
State Teachers College—Bowie.....	7,000.00	
State Teachers College—Frostburg.....	1,895.00	600.00
State Teachers College—Salisbury.....	1,905.00*	1,000.00
State Teachers College—Towson.....	46.00*	900.00
Totals.....	\$438,147.05	\$218,560.00

It will be noted that of this total, High School Aid is increased by \$21,681.00 in 1942 and the Equalization Fund increased by \$242,769.00, the two items totaling \$264,450.00. These two items and the increase of \$9,153.00 in 1942 for part payment of salaries are required by law. Attention is called to the fact that the General Fund budget for Public Schools in 1942, amounting in total to \$7,285,248.00 is 32% of the total General Funds Budget of \$22,580,374.00.

In other words, we are providing for public schools from General Funds approximately \$1 out of every \$3 which the State collects from General Funds.

The Governor is required to include in his budget such appropriations for the Public Schools as are necessary to make effective the laws which have been passed by the Legislature. The increase in High School Aid is due to an increase in high school enrollment necessitating the employment of additional

*Indicates decreases.