

1 only in Maryland, but elsewhere, for the implementation
2 of meaningful, ongoing programs which are necessary and
3 desirable for the welfare of our citizens.

4 The use of the State's credit, of course,
5 should not be abused, but the use of the State's credit
6 undoubtedly should be had in those cases where it is
7 necessary. I cite to you, for example, in New Jersey,
8 a situation in which the State credit was pledged backing
9 up loans for urban renewal and slum clearance.

10 In that State, this whole matter was discussed
11 at great length before the Bar of the Supreme Court of
12 that State and, in a 48 to 49 page opinion, the Justices
13 there found that this was a necessary adjunct to the tools
14 which the State has to take care of its people.

15 In our own State, the use of the credit of a
16 political entity has been sanctioned if the public purpose
17 can be shown to exist and if the requisites of due process
18 are present. This is not in the case which Mr. Sykes
19 refers to, the Johns Hopkins case, but in Frostburg versus
20 Jenkins, in which the Court of Appeals clearly stated that
21 if the public purpose was present, then the credit of a

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