

MESSAGE FROM THE EXECUTIVE.

The Secretary of State appeared and delivered the following message from the Executive:

EXECUTIVE DEPARTMENT

ANNAPOLIS, MD., December 26, 1946.

Honorable John R. White,
Speaker of the House of Delegates,
State House,
Annapolis, Maryland.

Dear Mr. White:

It is a particular pleasure to welcome again to the State House the members of your Honorable Body with whom it has been my pleasure to work during past years, and to outline the reason which made it necessary to issue a call for this Special Session.

The victorious ending of the war, toward which we all looked so hopefully during the last session of the General Assembly, has brought with it new problems, occasioned chiefly by the rapid increase in costs of food and materials as well as the consequent necessity of increasing salaries of our loyal State employees to enable them to meet the increased costs of living.

Having planned our budget for this fiscal year at a time when both prices and salaries were under rigid government control, it was not possible to foresee the developments which followed the cessation of war and the lifting of these government controls. During the months of the present fiscal year, it has been apparent that the State Departments and Agencies would have a difficult time in operating on the budgetary provisions made for them. With other members of the Board of Public Works and the State's fiscal officers, I have watched closely the developments and deferred the call of this Special Session until we were in the best position to foresee the needs for the second half of the current fiscal year. It would have been unfortunate if the session had been called earlier as economic developments in recent weeks might have disrupted plans made on the basis of conditions existing several months previous.

Fortunately, the financial condition of the State is such that we are able to meet the increased salary and other costs from accumulated surplus, without the necessity of levying any new taxes. Indeed, according to the latest reports from the State Comptroller, a General Fund Surplus of approximately \$16,800,000 has been estimated. Inasmuch as the required adjustments to the 1947