

The Commonwealth of Massachusetts

EXECUTIVE DEPARTMENT,
STATE HOUSE, BOSTON, January 11, 1943.

To the Honorable Senate and House of Representatives:

In the 1941 Session of the Legislature your honorable bodies changed the date of the fiscal year of the Commonwealth from December 1 to July 1. Consequently, this message now covers the period from December 1, 1942 to June 30, 1943. The forthcoming budget will cover the two fiscal years, July 1, 1943 to June 30, 1944, and July 1, 1944 to June 30, 1945.

GENERAL FUND

Under the provisions of Chapter 656 of the Acts of 1941, the Legislature prescribed the method of financing the maintenance of the various departments, agencies, and activities of the Commonwealth during the present seven months' interim period, and authorized expenditures from the General Fund which total \$30,445,913.76. Statement I, showing these authorized expenditures by departments is attached hereto.

I have no further recommendations in regard to funds for the normal operation of State activities during this period. I have instructed the Commission on Administration and Finance and the department heads to scrutinize carefully all current expenditures and to effect economies wherever possible. The passage of the bill setting up an allotment system for the Commonwealth makes it possible for the State to take advantage of any economies that may be unearthed.

I recommend in addition to the amount already authorized the sum of \$525,978.28 for expenditures directly connected with the war as given in detail in Statement II. This additional sum is required by the Military Department, the Committee on Public Safety, the State Teachers College at Westfield, and an Extraordinary Expense Fund for the Executive Department.

Far reaching changes have taken place in the size, functions, and duties of the State Guard since the 1941 Legislative session. In addition to the \$367,395.45 already authorized, \$78,463.55 is needed for various purposes. This recommendation is made on the basis of smaller company funds in accordance with the bill filed by the Adjutant General.

The expenses of the Committee on Public Safety are not included in the authorized amount, because their operations up to the present time have been financed by special appropriations and by transfers from the War Emergency Fund.

An appropriation must be made to cover the expenses of the present school for Army Signal Corps trainees at the State Teachers College at Westfield. Additional revenue to offset these expenditures is expected from the Federal Government.

I have included an Extraordinary Expense Fund in the seven months' period because of contingencies that may suddenly arise, and because certain expenditures which have been financed from the War Emergency Fund must be continued.

At the present time the expenses of the Emergency State Conservator, the Massachusetts Industrial Committee for National Defense, the Committee on Post War Readjustment, the War Transportation Conservation Committee, emergency printing orders, etc., all must be paid for. The amounts required vary from day to day, and I have included this Extraordinary Expense Fund in order to take care of these expenses and similar situations as they may arise.

While your honorable bodies are in session I trust that

the War Emergency Fund may be utilized only in extreme cases of state-wide emergencies. The details of the use of this fund, and the methods by which it has been built up will be presented to you in my biennial budget.

In addition to the amount recommended for expenditures directly connected with the war, I recommend that an appropriation of \$10,000 be made in order to comply with the terms of Chapter 87 of the Resolves of 1941 which provided for the expenditure of not more than this sum under the direction of the Governor and Council in order that the Commonwealth may be properly represented if the National Convention of the United Spanish War Veterans is held in Boston in 1943.

To finance the appropriations for this period, the surplus in the General Fund on December 1, 1942 was \$3,-787,962.91, and revenue receipts during this period are estimated at \$29,430,000. These estimates I believe are conservative, and should provide an estimated surplus in the General Fund to start the new fiscal year on July 1, 1943 in the amount of \$2,236,070.87. The details of this statement are on the attached balance sheet.

HIGHWAY FUND

Your honorable bodies in 1941 recommended a new system of accounting for the Department of Public Works. This system is now in operation. It involves a new arrangement of the appropriation items for the department.

Because of this, and because of the changed situation regarding the gasoline tax revenue, and the fees received by the Registry of Motor Vehicles, this message includes recommended appropriations for a complete highway fund budget for this seven months' period. The War Production Board in Washington has requested that there be no road construction unless it directly concerns the war. Therefore, these recommendations do not include allowance for State highway construction, or construction under Chapters 90 and 81, except such amounts as may be required to finance the construction of roads deemed to be a military necessity by the Federal Govern-

ment. Pending legislation provides that the amount for repair and improvement of public ways under Chapter 81 be reduced. The same legislation provides a reduction of 50% of the amount required to be raised locally. This will reduce the required appropriations in the towns by approximately \$350,000. The scarcity of all types of material and manpower make a reduction desirable. My recommendation for an appropriation for Chapter 81 is based upon a reduction of one-half.

I therefore recommend appropriations from the Highway Fund for this period of \$6,457,153 according to the attached statement.

On December 1, 1942, there was a surplus of \$1,691,254.56. Revenues from the gasoline tax, and from the Registry of Motor Vehicles, have been conservatively estimated at \$6,400,000 and \$3,300,000. The estimated surplus on July 1, 1943, is \$4,934,101.56.

My budget message will be based on the figures herewith submitted and the surplus in both funds will be needed during the next biennium. The financing of this interim period places no burden of any kind on the cities and towns.

I recommend the passage of a complete appropriation bill covering all funds for this seven months' period in advance of passage of the General Appropriation Bill.

Respectfully submitted,

LEVERETT SALTONSTALL,

Governor.

Balance between Estimated Receipts and Authorized Expenditures and Recommended Appropriations for the Period December 1, 1942 - June 30, 1943.

GENERAL FUND.		
Authorized expenditures		\$30,445,913 76
Recommended appropriations	\$907,859 00	
Less amounts already authorized	371,880 72	535,978 28
		<u>\$30,981,892 04</u>
Receipts:		
Surplus (beginning of period)		\$3,787,962 91
Ordinary revenue:		
Departmental		4,200,000 00
Corporation taxes:		
Insurance	\$5,300,000 00	
Public service	2,100,000 00	
Banks and trust companies	650,000 00	
Savings banks	400,000 00	
Business	2,400,000 00	
Stock transfer	150,000 00	
All other	40,000 00	11,040,000 00
Inheritance and estate taxes		4,000,000 00
Special revenue:		
Surtax	\$3,190,000 00	
Cigarette	4,500,000 00	
Liquor	2,500,000 00	10,190,000 00
Total receipts, including surplus		\$33,217,962 91
Balance (estimated surplus at end of period)		2,236,070 87
		<u>\$30,981,892 04</u>
HIGHWAY FUND.		
Recommended appropriations		\$6,457,153 00
Receipts:		
Surplus (beginning of period)		\$1,691,254 56
Gasoline tax		6,400,000 00
Fees, fines, etc.		3,300,000 00
Total receipts, including surplus		\$11,391,254 56
Balance (estimated surplus at end of period)		4,934,101 56
		<u>\$6,457,153 00</u>

Statement I.

GENERAL FUND.	Authorization 12/1/42-6/30/43
Legislative Department	\$977,455 48
Judiciary	910,172 87
Executive Department	54,102 86
Military affairs	367,395 45
Others under Governor and Council:	
Armory Commission	—
Administration and Finance	232,653 68
Purchase of paper	15,877 13
Superintendent of Buildings	201,882 03
Alcoholic Beverages Control Commission	82,817 22
Racing Commission	32,110 56
State Planning Board	27,173 11
State Library	34,143 55
Soldiers' Home	246,030 31
State Aid Commissioner	25,976 90
Expenses account of wars	10,534 78
Aeronautics Commission	7,943 90
All others	1,142 67
Secretary of the Commonwealth	99,204 30
Commission on Interstate Co-operation	5,935 25
Treasurer and Receiver-General	324,770 53
Emergency Finance Board	5,118 58
State Emergency Public Works Commission	6,592 32
Department of the Auditor	49,939 52
Department of the Attorney General	83,148 19
Department of Agriculture	160,144 76
Milk Control Board	89,406 17
Department of Conservation	377,706 53
Department of Banking and Insurance	473,796 37
Department of Corporations and Taxation	433,666 88
Reimbursement, taxes on land	—
Income Tax Division	381,134 24
Appellate Tax Board	68,321 83
Department of Education	3,807,248 66
Department of Civil Service and Registration	243,044 50
Department of Industrial Accidents	137,134 38
Department of Labor and Industries	254,762 85
Massachusetts Development and Industrial Commission	15,145 06
Labor Relations Board	35,168 36
Department of Mental Health	7,581,257 75
Department of Correction	1,733,126 91
Department of Public Welfare	8,189,676 14
Department of Public Health	1,643,257 88
Department of Public Safety	492,453 96
Department of Public Works	61,125 86
Department of Public Utilities	164,313 98
Interest	62,208 50
Serial bonds	85,000 00
Bunker Hill Monument	6,473 76
Unclassified accounts and claims	148,217 24
Total, General Fund	\$30,445,913 76

Statement II.

The following recommendations are for appropriations from the General Fund:

		Recommended 1943
EXECUTIVE DEPARTMENT:		
0401-24	Extraordinary expenses	\$75,000 00
MILITARY AFFAIRS:		
Adjutant General:		
0402-01	Adjutant General's salary	3,500 00
0402-02	Personal services	22,555 00
0402-03	Expenses	3,400 00
0402-04	Military accounts	5,200 00
Militia (State Guard):		
0403-01	Allowances	65,500 00
0403-03	Allowances for uniforms	42,000 00
0403-04	Boards (pay and transportation)	—
0403-05	Military training and instruction	63,000 00
0403-06	Inspections, surveys and escorts	—
0403-07	Travel to military meetings	1,800 00
0403-08	Regimental and battalion drills	500 00
0403-13	Special duty	12,500 00
0403-14	Accidents and injuries	2,100 00
0403-15	Damages to private property	200 00
0403-17	Military reservation	1,700 00
0403-18	Premium on bonds	2,255 00
0403-21	Operation of 26th Division	2,950 00
0403-22	Property and disbursing officer, expenses	—
0403-23	Commonwealth Depot, personal services	14,920 00
State Quartermaster:		
0405-01	Personal services	10,250 00
0405-02	Armors, first class, personal services	89,700 00
0406-01	Quartermaster's expenses	25 00
0406-02	Quartermaster's supplies	5,900 00
0406-04	Maintenance of armories, first class	85,000 00
0406-06	Maintenance of rifle range	5,200 00
0406-07	Commonwealth Depot, expenses	—
State Surgeon:		
0407-01	Personal services	3,234 00
0407-02	Medical supplies and expenses	995 00
0407-03	Examination of recruits	600 00
State Judge Advocate:		
0408-01	Compensation	875 00
EXPENSES ON ACCOUNT OF WARS:		
0441-10	United Spanish-American War Veterans, convention in Boston (Res. 1941, 87)	10,000 00
COMMITTEE ON PUBLIC SAFETY:		
0450-00	Personal services and expenses	329,000 00
DEPARTMENT OF EDUCATION:		
	State Teachers' College at Westfield, School for Army Signal Corps Trainees, personal services and expenses	48,000 00
	Total, General Fund	\$907,859 00

Statement III.

The following recommendations are for appropriations from the Highway Fund:

DEPARTMENT OF PUBLIC WORKS:		
Administration:		
2921-01	Commissioner and associates	\$8,531 25
2921-02	Personal services	3,510 00
2921-03	Travel of commissioners	575 00
2921-04	Telephone service, Public Works Building	9,313 00
Maintenance of Public Works Building:		
2922-01	Personal services	53,150 00
2922-02	Guards, Public Works Building	19,250 00
2922-03	Expenses	24,600 00
Highway Activities:		
	Department administration	200,000 00
	Highways, engineering and administration	650,000 00
	Maintenance and operation of highways	1,860,000 00
	Maintenance projects	20,000 00
	Primary road construction:	
	Land damages and projects (in addition to Federal Aid)	407,000 00
	Grade crossing elimination	6,000 00
	Construction and repair of town and county ways:	
	Maintenance projects	331,000 00
	Aiding towns in repair and improvement of public ways	687,900 00
	Access roads, construction:	
	Land damages (in addition to Federal Aid)	61,000 00
	Stores and equipment, capital outlay	36,000 00
Registry of Motor Vehicles:		
2924-01	Personal services	629,000 00
2924-02	Expenses	190,000 00
2924-03	Publicity, safety work	150 00
DEBT AND INTEREST:		
2951	Interest	78,111 25
2952	Sinking funds, serial bonds and notes	749,562 50
MISCELLANEOUS:		
2970-01	Board of Retirement, pensions	21,000 00
2970-02	Board of Appeal, automobile liability	40,833 00
2970-03	Gas tax collection	29,167 00
2970-04	State Police, personal services	204,000 00
2970-05	State Police, expenses	105,000 00
2970-07	Public employees compensated for injuries	32,500 00
Total, Highway Fund		\$6,457,153 00