

# HOUSE . . . . No. 2440

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## The Commonwealth of Massachusetts

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EXECUTIVE DEPARTMENT,  
STATE HOUSE, BOSTON, March 19, 1953.

*To the Honorable Senate and House of Representatives:*

I am recommending certain supplementary appropriations to be made in advance of the general appropriation bill to meet requirements for the current fiscal year ending June 30, 1953. This schedule affects only two funds. The General Fund amount is \$614,350 which is decreased by the amount of \$30,000 resulting from the cancellation of a \$30,000 item which is not going to be spent. The balance is for two Veterans' Services Fund items totalling \$348,000.

I am recommending the acquiring of a portrait of the former Governor Dever as authorized by law. The items for the State Employees Contributory Retirement System and for the State's share of the Teachers Retirement System are due partly to liberalization of pension acts whose effect could not be accurately determined in advance, and partly to the requirement in those acts which obligates the Commonwealth to make up to the Annuity Reserve Funds any amounts by which interest earnings fall short of predetermined interest rates.

The \$30,000 pension item is necessary to meet the cost of noncontributory pensions paid to employees who have retired under authorization for payments to disabled veterans. In such a case the cost is borne entirely by the General Fund, and if the employee had previously been a member of a contributory plan, his membership is cancelled and his contributions are returned to him.

The annual cost to the General Fund for this program has risen from \$250,000 in 1946 to \$500,000 in 1950, and

over \$1,000,000 in 1953. Under the present law this seems to be an item not only beyond budgetary control, but one whose future cost is not capable of estimation since it depends so largely on the plan which the individual employee elects to choose when the time for his retirement comes. I trust that the report which is about due from the special commission authorized by the last session will offer a remedy for this situation.

I am concerned also with another item which seems to be similarly getting out of hand. My recommendation for \$80,000 for employees' compensation for injuries results from a requirement of over \$500,000 for the current year. In 1947 \$45,000 was sufficient but then, under liberalizations provided by law, the amount increased to \$132,000 in 1948, and has increased rather steadily to the present figure. An administrative study of this situation is now being made.

The item for education of blind pupils is necessary to pay the actual cost for students sent by the Commonwealth to the Perkins Institute for the Blind at a rate approved by the Board of Education, as required by law, and is due to certain increased expenses at the Institute which were not foreseen at the time the regular appropriation was made.

The item for maintenance at the State Prison is the result of the existence of the state of emergency which was first declared in July 1952 and, with a short interruption, has continued to the present time. The amount recommended will pay the unforeseen costs of overtime, food and other items incidental to this unusual condition.

I am recommending that you cancel the item of \$30,000 provided for the purchase of additional property at the detention home in Boston. The Youth Service Board recommended the purchase of a house on property adjacent to the Detention Home, but the present administration of that agency now recommends that the property should not be purchased. An item in the deficiency bill to cancel the authorization will allow the return of the \$30,000 to the General Fund surplus.

In the Veterans' Services Fund the items for benefits are necessary because they are very hard to estimate in ad-

vance, and the only way to avoid making a supplementary appropriation such as that recommended here would have been to be more generous in the original estimate. The amount required for these items depends on a great many variable factors which are difficult to determine in advance.

Respectfully submitted,

CHRISTIAN A. HERTER,  
*Governor of the Commonwealth.*

## STATEMENT OF APPROPRIATIONS RECOMMENDED.

The following recommendations are for appropriations from the General Fund: —

EXECUTIVE:		
0401-31	Governor's portrait . . . . .	\$3,000 00
TREASURER AND RECEIVER GENERAL:		
0604-03	Employees' Contributory Retirement System . . . . .	250,000 00
ATTORNEY GENERAL:		
0802-01	Damages to state-owned cars . . . . .	10,000 00
0802-02	Small claims . . . . .	5,000 00
EDUCATION:		
1311-01	Education of blind pupils . . . . .	74,400 00
1319-08	Teachers' Retirement, state share . . . . .	100,000 00
CIVIL SERVICE AND REGISTRATION:		
1403-01	Director of Registration, salary . . . . .	500 00
INDUSTRIAL ACCIDENTS:		
1501-06	Employees' compensation for injuries . . . . .	80,000 00
CORRECTION:		
1812-01	State Prison, maintenance . . . . .	51,450 00
PUBLIC HEALTH:		
2023-01	North Reading State Sanatorium, maintenance . . . . .	10,000 00
MISCELLANEOUS:		
2811-02	Non-contributory pensions . . . . .	30,000 00
Total, General Fund . . . . .		<u>\$614,350 00</u>

The following recommendations are for appropriations from the Veterans' Services Fund: —

COMMISSIONER OF VETERANS' SERVICES:		
3501-11	Reimbursement for veterans' benefits . . . . .	\$345,000 00
3501-12	War allowances . . . . .	3,000 00
Total, Veterans' Services Fund . . . . .		<u>\$348,000 00</u>