

a treasurer, whether you see his duties continuing as they are now. Is there going to be a reorganization or a restudy by the legislature so that some of these activities can be allocated properly?

THE CHAIRMAN: Delegate James.

DELEGATE JAMES: I think this would have to depend upon the reorganization system which we are providing in the executive article.

Much has been said about the power of the governor from a fiscal standpoint. The governor of Maryland is a very powerful individual. Anyone who serves the governor must recognize that the theorists—and I do not want to point any fingers at the theorists because they are very valuable and often far ahead of the politicians—do not understand the power of the Maryland governor.

We are adding to his powers, the power to permit him to select the heads of all principal departments. These department heads must serve at the pleasure of the governor. We are giving him full powers of reorganization so that added to his fiscal powers we are giving him all of these administrative powers.

If the compromise is developed, then at least we will be able to salvage a public Board of Administration, call it what you will, across which important decisions will go.

With reference to the treasurer, I would assume that his functions which I listed relating to deposit and disbursement of state funds and twenty-two active state banks would be maintained, and he would continue with his accounting for all outstanding debt and for payment. That is an expanding function because our ability to incur debt appears to exceed almost any of our other talents in modern America. He would also continue investing temporary cash surpluses, and be custodian of investments, deposits, and pledged securities. He would be agent for the sale of bonds, and agent for insurance purposes. However, when you come to awarding insurance, I would agree with Mr. Sickles; going into this would be in order. Whether this is a proper function should be a matter of intense scrutiny and review.

The treasurer keeps all records for audit purposes. His ex officio functions might be continued as a member of the retirement system, but I cannot see much reason for keeping him on the board of canvassers; that is one of his present functions, and

he was put there because it had been recognized in Maryland history that here you have a reliable individual, a person agreed upon normally by the government and legislature as an outstanding individual whom everyone can trust. In addition, his functions on the Administrative Board should be continued. I would think generally speaking the treasurer would be doing much of what he is doing today with possibly a little closer alliance with the General Assembly.

THE CHAIRMAN: Delegate Raley.

DELEGATE RALEY: Going back to the investment of state funds and the management of state money is a very important thing, because every tax dollar that is spent is involved here so how we can get the most efficiency from it and how we set up the structure of this constitution is most important.

DELEGATE JAMES: I agree with you one hundred per cent.

DELEGATE RALEY: How are we going to have that managed by one person in one simple location. I think it is important because at present four people or four branches are all off managing the money.

I know we cannot write it into the constitution, but how we set up the structure is important.

DELEGATE JAMES: The management of the money is in the hands of the treasurer. In the instances of the retirement funds we have an investment committee.

DELEGATE RALEY: He does make the investment of state funds which is very significant.

DELEGATE JAMES: Only surplus state funds.

THE CHAIRMAN: Is there a further question, Delegate Raley?

Are there any further questions of the minority spokesman?

DELEGATE BOTHE: Delegate James, how much of the time of the state treasurer does he spend on State's business?

DELEGATE JAMES: That is very difficult to say. If you asked me how much time I spend on state business, I could not tell you. It is most of the time, although it is hard to convince anyone of that.

I just do not know.

DELEGATE BOTHE: He does, however, hold down a full-time occupation in private life.