

within the executive branch to provide adequate protection against the corruptness of future chief executives of this State.

I suggest to you that if the office of treasurer elected by the General Assembly is to be continued, it should be done with full knowledge that, in fact, the treasurer is an appointed official. He is appointed under normal circumstances, and I use that term quite advisedly "under normal circumstances" by the chief executive of this State subject to the election, if you choose to call it that, of the General Assembly of Maryland.

I think it also safe to say that the treasurer does not either purport to nor does he in fact represent the General Assembly of Maryland because witness after witness testified before our Committee that once elected the contact between the treasurer and the General Assembly was absolutely nil.

Maryland has been quite fortunate in the past in having extremely competent high-class men as their treasurers. This I suggest is not because they have been chosen by the General Assembly, it is because the governors of this state in the exercise of their best judgment have asked the legislatures to confirm intelligent, competent, high-class men.

No man served this state any better than Hooper S. Miles. No man is serving this state any better than its present treasurer, but there is no substantial justification in continuing this office as an office of constitutional dimension.

This body as of this moment has elected to include an elective comptroller. I would suggest since these two offices constitute a diminishing power, to that extent we are making erroneous decisions.

I would urge the Committee to eliminate the office of treasurer as a constitutional office, leaving it up to either the executive or General Assembly to provide such safeguards for the control of the funds of this State as seem reasonable and proper under the circumstances.

I am open to questions.

**THE CHAIRMAN:** Are there any questions of the Vice-Chairman for purposes of clarification?

There are apparently no questions. The Chair calls on Delegate James to present the report of the minority.

**DELEGATE JAMES:** Mr. Chairman and fellow delegates: The office of state

treasurer is a constitutional office of high dignity; a person filling the office is elected by both houses of the General Assembly sitting together for a four-year term.

Our experience has been that the state treasurer's office does not change. We have had only three since 1920: John M. Dennis, elected in 1920, Hooper S. Miles in 1935, John A. Leutkemeyer in 1963.

The functions of the office are as follows: The treasurer deposits and disburses the state funds in the 22 acting bank accounts in the State; he must account for all of the outstanding debt and provide for payment which I might say, is a gigantic job; he invests temporary cash surpluses in appropriate investments; he is the custodian of investments, deposits and pledged securities; he is an agent for the sale of bonds which is an area in which a great deal of expertise is required in the fiscal world; he is an agent for insurance purposes as to how much insurance to buy, and recommends to the General Assembly what insurance coverage is needed; he keeps all records so that they may be properly audited; he serves as an ex officio member of the Board of Estimates, as trustee for the state retirement system, a member of the Maryland Industrial Development Financing Authority, serves on the University of Maryland Board of Regents, on the State Board of Canvassers, and of course on the Board of Public Works as a legislative representative.

Now, the Board of Public Works in the proposed compromise under the new name Interdepartmental Board of Review is going to require the legislature to name a person to represent its interests. This person will be more of an advisor, observer, a person who will be there to see that the public is informed, that the legislature is informed, and that the governor is informed, concerning public matters that go across the desk of the Board, under the new name.

The Board of Public Works has numerous functions: to borrow money to meet temporary deficits; to fix interest rates and to sell state bonds; to let contracts for expenditure of state funds; to approve or disapprove leases; to promulgate rules and regulations covering business administration in various state agencies; to sell real or personal property; to transfer property from one governmental agency to another; and to approve or disapprove the creation of new jobs not in the budget.

We in the legislature want to know that we have someone we can depend on in that