



JOHN A. LUETKEMEYER
"... it just isn't worth it to me"

Luetkemeyer, ill, resigns state post

John A. Luetkemeyer resigned as Maryland's state treasurer yesterday to avoid straining his health "beyond endurance."

Mr. Luetkemeyer announced his resignation at a state Board of Public Works meeting in Baltimore.

Mr. Luetkemeyer, 63, has had recurring heart troubles since 1971, when he was hospitalized for weeks after a heart attack. "Several weeks ago," he said in his letter of resignation to Governor Mandel, "I was hospitalized again when

my physician discovered suspicious symptoms during a routine physical examination.

"After four days of hospital tests, I was ordered to give up all outside activities," said Mr. Luetkemeyer, who is chairman of the board of the Equitable Trust Company and also sits on the boards of numerous government and private organizations.

Mr. Luetkemeyer already had said he would not accept a fourth four-year term as treasurer, a post he has held since

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January, 1963. The resignation was two years before his term's expiration.

Governor Mandel in a letter to the treasurer, accepted the resignation "reluctantly and with a great deal of admiration for the job you have done."

The state treasurer oversees the handling and investment of billions of state funds. His other major role is as one of three members—along with the Governor and comptroller—of the state's most powerful administrative body, the Board of Public Works.

Although formally a "part-time" post, paying \$2,600 a year, Mr. Luetkemeyer said yesterday he had been spending 30 to 35 hours a week on the job.

"It just isn't worth it to me," he had said last February when he announced his original intention to retire in 1975. "I'm working every weekend, and I never get a chance to get out."

Governor Mandel said yesterday that he would probably appoint an interim treasurer and ask the Senate to confirm that choice during its special session which begins July 30.

The General Assembly which elects the treasurer—will be asked to do so at its regular session next January, he said. The Constitution, however, appears to allow the Legislature to fill the post permanently whenever it pleases and it could do so this summer.

Mr. Luetkemeyer yesterday repeated his view that future treasurers should be full-time and paid on a full-time basis. The General Assembly passed a bill at its last session to do just that, after a public investigation of the state's invest-

ment practices, and of the possible conflict-of-interest created by having a banker hold a post which involves dispensing state money to his own and competitors' banks.

A bald, ramrod-straight six-footer, Mr. Luetkemeyer was thought of in state government as the archetypal flinty-eyed banker, a reputation borne out in the cautious scrutiny he brought to meetings of the Board of Public Works.

But the treasurer's job was won through politics in 1963. Mr. Luetkemeyer was former Gov. J. Millard Tawes's campaign finance chairman before being picked by Mr. Tawes for treasurer.

And the job was retained politically in 1967 when former Gov. Spiro T. Agnew tried to replace Mr. Luetkemeyer with Tilton H. Dobbin, of Maryland National Bank, in a power struggle for control of the Board of Public Works. Annapolis politicians watched incredulously as bank directors statewide scurried about the capital lobbying for their choices.

The latest controversy involving Mr. Luetkemeyer began in January with a Washington Post series saying that the treasurer was allowing banks excessive profits through the use of state money placed in noninterest bearing bank accounts.

Mr. Luetkemeyer testified before a special House of Delegates committee. While conceding problems with the traditional investment system, he politely scolded reporters for writing about a highly complex subject they did not understand and "misinterpreting" his policies.

A few weeks later, however, he changed the state's investment practices radically to reduce the amount in noninterest bearing deposits and in just three weeks, produced nearly \$30,000 in profits for the state which otherwise would have gone to the banks.

Mr. Luetkemeyer consistently dismissed charges that there was an inherent conflict of interest in a banker serving as treasurer, and said that, if anything, his position with the state may have hurt Equitable Trust Company, the bank he heads.

The publicity during the session, he said yesterday, had nothing to do with his resignation.

"If, anything, I wanted to stay," he said. "It made me mad."

Close to Governor Mandel, Mr. Luetkemeyer rarely disagreed in public with him at Board meetings. On one occasion, in 1969, he helped block the Governor's plans to build a new state tobacco warehouse saying he believed it was not a wise investment.

Much of his Board of Public Works duties involved flying around the state with Louis L. Goldstein, the comptroller, to inspect land parcels the state was about to buy or sell.

"I've worked for a lot of people in my life," Mr. Goldstein said yesterday, "and I've learned a lot from John Luetkemeyer." "The state is suffering a great loss," said Governor Mandel. "This is the most unhappy moment I've had in state government. I can't think of any individual in government who devoted so much."

"I think we'd better cut out the platitudes and get back to work," Mr. Luetkemeyer said.