

Editors:

19 Oct.62

The polls indicate that amendment #2 might fail in the coming election, largely due to lack of publicity and understanding of what is at stake.

The attached statements by Regent Richard L. Griggs, Duluth, give strong support to both amendments #1 and #2. We think they are newsworthy and invite your publication and broadcast of them.

It is hoped that all newspapers, radio and television stations will give increasing space and time to the amendments so that voters will at least be aware of them and will vote on them, regardless of "yes" or "no" feelings about them.

Any information or help needed from UMD regarding its stake in amendment #2 will be provided speedily, if asked for by you.

Julian B. Hoshal, Director
UMD News Service

Release on Thursday
Oct. 25, 1962

UMD NEWS SERVICE
RA 4-8801 Ext 210
Prepared Oct. 19, 1962

DULUTH--University of Minnesota Regent Richard L. Griggs, Duluth, today voiced full support of amendments #1 and #2 to the Minnesota constitution which will be voted on November 6.

Regent Griggs expressed concern for passage of amendment #1, which would allow greater leeway in investment of state trust funds to obtain higher returns, and amendment #2, which would remove the present \$250,000 fixed constitutional debt limitation and allow legislative-approved state building programs to proceed.

"I think the adoption of amendment #1 to be of the utmost importance to the notable improvement of the state's financial position," said Griggs, "and to make possible a large increased income with no increase in taxes."

"As a banker, I have witnessed with great concern the tragic losses of both income and normal appreciation gains in our state and University trust funds---currently \$309,000,000---^{administered}imposed by the State Board of Investments under the restrictions imposed by our state constitution, over which it has no control.

"Adding together both loss of possible income and normal potential appreciation gains during the past 15 years, I estimate such losses could have greatly exceeded \$40,000,000. This is a staggering sum to go down the drain through what I call the public's ignorance of present day established and accepted conservative investment practices.

"Even now these state and University trust funds of \$309,000,000 will show a book depreciation, I am quite certain, in excess of \$30,000,000. Had amendment #1 been in effect during that period, they could have shown

book appreciation of possibly more than \$20,000,000. I would expect amendment #1 to remedy such a deplorable situation and ease the taxpayers' burden."

Griggs said he cannot see how "there can be any logical opposition to amendment #2 by any student of the justified and critical building needs of our state. No one could be more cautious or conservative in incurring indebtedness by our state than myself, and I feel the restrictions and safeguards placed in amendment two are reasonable and adequate."

The Regent pointed out that amendment #2 is supported by both political parties, by leading civic, farm, business and labor groups.

"Failure of passage will stop \$33,000,000 of immediate construction of buildings for our University, our colleges, state hospitals, and penal institutions," Griggs warned. "This money already has been authorized but cannot be spent until the amendment is passed.

"These buildings represent progress we must maintain to meet the demands of education and public health, safety and welfare conditions, not to mention the greatly needed stimulus they will give to industry and labor employment right now.

"I view with alarm the serious difficulties our University alone will face in Minneapolis, St. Paul, Duluth and other areas of our state in being able to admit and educate the youth of Minnesota if amendment #2 fails. It can only fail through the neglect of voters in facing up to their responsibilities as wise, far-sighted citizens."