

City with respect to the activities of the corporate fiduciaries. I am constrained to say that in view of this history no change by way of legislation is needed where both the Bar and the corporate fiduciaries of this State are fully able to protect the public interest involved, as they have in the past, by way of voluntary written or unwritten agreements or understandings.

One could view House Bills Nos. 289 and 690 narrowly as "local bills". But such a view would be shortsighted and unrealistic. A true "local bill" is legislation called for by peculiar local conditions. House Bills Nos. 289 and 690 would affect five of our counties, a substantial portion of the State. It does not appear that there are peculiar local conditions, different from those elsewhere in the State, which call for this legislation in these particular counties. A single trust company may administer one estate in Worcester County and another in, say, Dorchester County. Were these bills to become law, the restrictions contained in them would be applicable in Worcester County but not in Dorchester County. Indeed, it might be necessary for the same estate to be administered both in a county which would be covered by the bills and in a county which would not. This confusion would seem to me to be highly undesirable.

The discrimination inherent in these bills also weighs with me. These bills would prohibit Maryland banks and trust companies from using what are commonly called "house counsel" to act for them in legal matters where that is proper. It is common knowledge that many corporations in Maryland and throughout the country use "house counsel". To require that banks and trust companies employ outside lawyers in every instance in acting within their statutory powers seems to me to unjustifiably discriminate against banks and trust companies and to single them out for restrictions not imposed upon corporations generally. It is also to be noted that these bills do not impose similar restrictions upon non-corporate fiduciaries acting as executors and administrators.

House Bills Nos. 289 and 690 were introduced in the General Assembly without the sanction of the Legislative Council, to which they had never been presented. Therefore, so far as I know, no study, official or otherwise, has been made of the need, desirability or legality of these bills. This, despite the fact that the bills concern themselves with a matter the nature of which is of substantial public interest. One result of the manner in which these bills came to be enacted is that, for no apparent reason, the bills themselves differ somewhat from one another. The restriction in House Bill No. 690, involving Harford, Baltimore, Worcester, and Kent Counties is somewhat different from that in House Bill No. 289 affecting Talbot County.

Finally, it would appear that the incentive for these bills came from a recent decision of a lower Connecticut court. The decision of this lower Connecticut court, which is in conflict with decisions in other States, is now on appeal and thus should not be regarded as a basis for the enactment of House Bills Nos. 289 and 690.

The foregoing objections have, therefore, motivated me in returning to you House Bill No. 289 and House Bill No. 690.

Sincerely yours,

(s) J. MILLARD TAWES,

Governor.

JMT/LS/db