

Senate Bill No. 373—Insurance Companies During Emergencies

~~AN ACT to add new Section 61A to Article 48A of the Annotated Code of Maryland (1967 Edition), title "Insurance," subtitle "General Provisions," to follow immediately after Section 61 thereof, to facilitate the continued operation of domestic insurance com-~~

AN ACT TO ADD NEW SECTION 133A TO ARTICLE 48A OF THE ANNOTATED CODE OF MARYLAND (1957 EDITION, AS AMENDED BY CHAPTER ... OF THE ACTS OF 1963, SENATE BILL NO. 1), TITLE "INSURANCE CODE," SUBTITLE "10. REHABILITATION AND LIQUIDATION," TO FOLLOW IMMEDIATELY AFTER SECTION 133 THEREOF AND IN THE EVENT ARTICLE 48A IS NOT REVISED BY CHAPTER ... OF THE ACTS OF 1963, TO ADD NEW SECTION 61A TO THE SAID ARTICLE OF THE CODE (1957 EDITION), TITLE "INSURANCE," SUBTITLE "GENERAL PROVISIONS," TO FOLLOW IMMEDIATELY AFTER SECTION 61 THEREOF TO FACILITATE THE CONTINUED OPERATION OF DOMESTIC INSURANCE COM-panies in the event that a national emergency makes it impossible or impracticable for a company to conduct its business in strict accord with applicable provisions of law, its by-laws, or its charter.

May 6, 1963.

Honorable William S. James
President of the Senate
State House
Annapolis, Maryland

Dear Mr. President:

I have today vetoed Senate Bill 373 and in accordance with the provisions of Article 2, Section 17 of the Maryland Constitution, I am returning the same to you along with my veto message.

This particular Senate Bill would amend the insurance laws of our State so as to enable three directors of any domestic insurance company to, at any time, disregard the provisions of the regular by-laws of the company, Acts of the Legislature, or the company's charter and adopt emergency bylaws during a national emergency.

As is the custom of my office, this Bill was referred to the office of the Attorney General for a legal opinion, following its approval by the General Assembly. On April 26, 1963, the Attorney General advised by letter, a copy of which is attached, that the Bill presented certain constitutional problems and should receive further study by his office to clarify possible constitutional objections. On May 6, the Attorney General's office advised, by letter, that it had made an additional study of the matter and was of the opinion that the Bill violates Article 44 of the Maryland Declaration of Rights and; consequently, is unconstitutional. A copy of the letter of May 6 is also attached.

In light of the two aforementioned letters, I feel compelled to veto this legislation and I am requesting that the Attorney General's letters be considered a part of this veto message.

With kindest personal regards, I am

Sincerely yours,

(s) J. MILLARD TAWES,
Governor.

JMT/ss/Encl.