

April 23, 1970.

Honorable Marvin Mandel  
Governor of Maryland  
State House  
Annapolis, Maryland 21404

Re: House Bill 292

Dear Governor Mandel:

At your request, we have reviewed House Bill 292. Although we find this measure as drafted to be constitutional and legally sufficient, we believe it important that it be vetoed by you.

This measure deals with the Maryland Securities Law and was obviously intended merely to insert some missing words in a provision of the law concerning registration with the Commissioner of Securities by Broker-dealers or agents. The language that the bill attempts to insert into the law is innocuous and in fact, even helpful to the Commissioner of Securities. The difficulty arises, however, that the bill repeals the entire Section 16 of Article 32A and re-enacts only part of that Section. Section 16 under the present law consists of two sub-sections, (a) and (b). In the present law, sub-section (a) is divided into two numbered paragraphs, (1) and (2).

House Bill 292 therefore, if signed into law by you, would repeal all of said sections but re-enact Sub-section (a) (1). Sub-section (a) (2) and Sub-section (b) would be eliminated from the law. This omission would eliminate the present provision under Maryland law by which a Broker-dealer in Securities could obtain a renewal registration and, more importantly, it would deprive the State of the fee for such annual re-registration. It is the opinion of our Securities Commissioner that this omission would result in a loss to the State of \$120,000 per year and also make it virtually impossible to regulate the activities of the Broker-dealers and agents in this State.

We have discussed this bill with the sponsor, Delegate Kircher, who shares our view that Sub-sections 16 (a) (2) and 16 (b) were inadvertently omitted from this bill and he has no objection to a veto of this measure.

I would, of course, be more than happy to discuss this matter with you if you wish.

Sincerely,

/s/ FRANCIS B. BURCH,  
*Attorney General.*

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#### House Bill No. 301—Correction in Court Laws

AN ACT to repeal and re-enact, with amendments, Sections 70-24(e) and 130 of Article 26 of the Annotated Code of Maryland (1969 Supplement), title "Courts," subtitles "Juvenile Causes" and "Court of Special Appeals," amending the court laws of this State in order to make certain corrections in the language and references thereof.