

State House
Annapolis MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 29 – *Nonprofit Health Service Plans – Compensation of Officers and Executives – Authority of Insurance Commissioner*.

This bill makes changes to conform specified provisions of the Insurance Article, relating to nonprofit health service plans, to the Order and Consent Judgment rendered by the U.S. District Court for the District of Maryland, in the case of *State of Maryland v. Blue Cross & Blue Shield Association and CareFirst, Inc.* It alters the authority of the Maryland Insurance Commissioner for the review and approval of compensation guidelines for officers and executives of nonprofit health service plans, and makes the Act an emergency measure.

House Bill 350, which was passed by the General Assembly and signed by me on May 11, 2004, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 29.

Very truly yours,
Robert L. Ehrlich, Jr.
Governor

Senate Bill No. 29

AN ACT concerning

Nonprofit Health Service Plans – Compensation of Officers and Executives – Authority of Insurance Commissioner

FOR the purpose of making changes to conform certain provisions of the Insurance Article relating to nonprofit health service plans to the Order and Consent Judgment rendered by the U.S. District Court for the District of Maryland in the case of *State of Maryland v. Blue Cross & Blue Shield Association and CareFirst, Inc.*; altering the authority of the Maryland Insurance Commissioner for the review and approval of certain compensation guidelines for officers and executives of certain nonprofit health service plans; requiring the board of directors of certain nonprofit health service plans to provide a copy of certain compensation guidelines to the Commissioner on or before a certain date; providing for the application of this Act; making this Act an emergency measure; and generally relating to the authority of the Maryland Insurance Commissioner over nonprofit health service plans.

BY repealing and reenacting, with amendments,

Article – Insurance

Section 14–139(d) and (e)

Annotated Code of Maryland

(2002 Replacement Volume and 2003 Supplement)