

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 129 – *Life Insurers – Funding Agreements – Priority in Liquidation Proceedings*.

This bill states expressly the priority of specified claims made by holders of specified funding agreements in liquidation proceedings against specified insurers.

House Bill 231, which was passed by the General Assembly and signed by me on April 27, 2004, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 129.

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

Senate Bill No. 129

AN ACT concerning

Life Insurers – Funding Agreements – Priority in Liquidation Proceedings

FOR the purpose of stating expressly the priority of certain claims made by holders of certain funding agreements in liquidation proceedings against certain insurers; and generally relating to the priority of claims in liquidation proceedings.

BY repealing and reenacting, without amendments,

Article – Insurance
Section 9–227(a) and (b)
Annotated Code of Maryland
(2003 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Insurance
Section 9–227(c) and (d)
Annotated Code of Maryland
(2003 Replacement Volume)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Insurance

9–227.

(a) In this section, “preferred claim” means a claim that is given priority of payment from the general assets of an insurer under the law of the State or the United States.