

VETOES

In addition, the expenditures called for in House Bill 134 would create a deficit of approximately \$8,000,000 in fiscal year 1991 as the revenues that would be expended are those estimated by the Board of Revenue Estimates and utilized in my Executive Budget. The people of Maryland in 1916 voted their approval of the constitutional amendment that established the Executive Budget to avoid precisely this type of deficit spending.

I read the letter of advice I received from the Attorney General, dated May 1, 1990, to be fully in accordance with my position. A copy of the Attorney General's letter is attached.

I am very aware of the fiscal needs of Baltimore City and many local governments in this State. During my administration, we have attempted to provide various methods of fiscal relief to the poorer jurisdictions; the budget for FY 1991 includes \$600 million in operating funds and \$50 million in capital funds for Baltimore City alone. I am pleased by the recognition in the General Assembly of the fiscal needs of Baltimore City. Those needs are serious and must be the focus of much attention by the Legislative and Executive branches. However, as a one-time initiative, this bill would not have helped the City's long-term financial posture. That must be addressed in other ways, and I am committed to pursuing the solution to this long-standing problem. Vetoing House Bill 134 today does not foreclose action to rectify these problems during the 1991 Session.

Accordingly, I am vetoing House Bill 134.

Sincerely,
William Donald Schaefer
Governor

The Honorable William Donald Schaefer
Governor
State House
Annapolis, Maryland 21401

Re: House Bill 134

Dear Governor Schaefer:

You have asked us to address in detail the constitutionality and legal sufficiency of House Bill 134, which provides for the distribution of specified amounts of income tax funds to four political subdivisions. Although we conclude that House Bill 134 is not itself unconstitutional, the bill must be construed as simply an authorization that cannot be given effect without an appropriation of the funds specified in the bill. In our review, we have also considered whether a requirement that the subdivisions maintain at least their current property tax rates as a condition of receiving the distributions violates the home rule powers of two of the subdivisions. We conclude that it does not.