

This bill authorizes the issuance of \$100,000 of State general obligation bonds to finance a study to determine the most appropriate method of mining coal in Western Maryland and converting such coal to environmentally acceptable fuel.

Certainly, such a study is a most worthwhile project. I have been advised, however, by the Secretary of State Planning that, based upon the President's 1975 budget proposals to the Congress, it is likely that federal funds will become available to finance the study.

In addition, I think it would be unwise to depart from the established State policy of not financing study projects with bond funds. The State's bonded indebtedness must be carefully limited to its essential purpose, the financing of necessary capital construction, if the State is to maintain its excellent credit rating.

For these reasons, I have decided to veto House Bill 1487.

Sincerely,
/s/ Marvin Mandel
Governor

House Bill No. 1490 -- Water Quality Loan

AN ACT concerning

Water Quality Loan of 1974

FOR the purpose of authorizing the creation of a State debt in the aggregate amount of Fifty Million Dollars (\$50,000,000), the proceeds thereof to be used to provide State grants to assist in the constructing and equipping of sewage treatment plants and related facilities and in the construction, extension, and improvement of existing public sanitary sewer systems; establishing conditions of eligibility for such State grants and limitations thereon; providing generally for the issue and sale of bonds evidencing such loan, and providing, under certain circumstances, that general funds be used to pay the principal and interest on said bonds; repealing and re-enacting, with amendments, Sections 5(b) and 5(c) of Chapter 445 of the Acts of 1968, as Section 5(b) was amended by Chapter 653 of the Acts of 1969, by Chapter 246 of the Acts of 1970, by Chapter 242 of the Acts of 1972, and by Chapter 55 of the Acts of 1973, and as