

680.

This bill creates a new subtitle, under the Commercial Law Article of the Annotated Code of Maryland, entitled "Equal Credit Opportunity Act," and provides generally that certain financial and other institutions and individuals who engage in the extension of credit may not discriminate on the basis of sex or marital status.

House Bill 1119, which was enacted by the General Assembly and signed by me on May 15, 1975, accomplishes the same general purpose as Senate Bill 680. As originally introduced, House Bill 1119 and Senate Bill 680 were identical in form and each stated that its purpose was "to require that financial institutions and other persons and firms engaged in the extension of credit make that credit equally available to all credit worthy customers without regard to sex or marital status." (emphasis added)

Testimony presented to the House and Senate Committees by the Maryland Bankers Association pointed out that in a period of tight money and lack of funds such as the banks experienced in the latter part of last year, it may be necessary for banks to decline loans to credit worthy customers for the sole reason that money is unavailable, and that the language of both Senate Bill 680 and House Bill 1119 might be interpreted to mean that even in a tight money market loans would have to be made, perhaps on a pro rata basis, to all credit worthy customers. Both bills were thus subsequently amended to provide that such institutions and individuals extending credit would "not deny credit solely on the basis of sex or marital status". House Bill 1119 was finally enacted with this amendment. Senate Bill 680 however, was re-amended prior to final passage and the original language was reinstated.

As the provisions of House Bill 1119 are more equitable and clearer and meet the objectives which both bills sought to serve, I have decided to veto Senate Bill 680 in favor of House Bill 1119.

Sincerely,
/s/ Marvin Mandel
Governor