

governmental agencies; providing that certain notice of this Act be given to certain food stamp vendors; and generally relating to food stamps.

May 17, 1976.

Honorable John Hanson Briscoe  
Speaker of the House of Delegates  
State House  
Annapolis, Maryland 21404

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed House Bill 1978.

This bill requires a seller of federal food stamps (1) to maintain certain detailed records of the sale or distribution of the stamps; (2) to require identification of a recipient of the stamps; and (3) to transmit a copy of his records to the Social Services Administration on March 1 and September 1 of each year.

The apparent purpose of House Bill 1978 is to improve the accountability for food stamps by the vendors, in order to discourage fraudulent activities in the selling of these stamps. The bill would place a further audit mechanism in the program with the State as the auditing party.

The food stamp program is a federal program administered by the United States Department of Agriculture through the local governments. Although the State Department of Human Resources is the State supervising agency, the program is actually operated by the local governments, which share the cost of the program with the federal government.

I have received requests to veto House Bill 1978 from the Department of Human Resources, the Mayor of Baltimore, the Maryland Bankers Association, and numerous credit unions, for reasons that appear to me to be entirely justified. They point out that there are already in operation numerous regulations of the United States Department of Agriculture governing the Food Stamp Program that require detailed reporting by vendors.

The banks and credit unions form an important network for the distribution of food stamps. Although they receive some compensation for this service, it is often not sufficient to cover their cost; and they act as vendors more as a public service than as a business venture. If they are burdened with the additional reporting requirements provided for in House Bill 1978, a number of these institutions have indicated their