

Annotated Code of Maryland  
(1984 Volume)

Preamble

WHEREAS, Disclosure of problems at certain State chartered, privately insured savings and loan associations resulted in a financial run on and the erosion of public confidence in all such institutions; and

WHEREAS, The Governor undertook certain actions to deal with the situation, including declaring a state of emergency, issuing a gubernatorial proclamation, and calling a Special Session of the General Assembly; and

WHEREAS, An investigation of a State-chartered privately insured savings and loan association was instituted by the Attorney General at the request of the Governor; and

WHEREAS, The General Assembly convened in Special Session on May 17, 1985 and approved a package of bills designed to address the concerns of the Governor, the General Assembly, the privately insured savings and loan associations in the State, and the citizens of the State of Maryland; and

WHEREAS, During the consideration of this emergency legislation and since that time a number of grave questions have been raised that call into question the actions taken by State officials, State agencies, the Maryland Savings-Share Insurance Corporation, and certain segments of the savings and loan industry; and

WHEREAS, The crisis at privately insured savings and loan associations involved many more aspects than the occurrence of alleged criminal acts at a single institution; and

WHEREAS, The paramount questions raised by this crisis are why and how it occurred, who the responsible parties were, could it have been prevented or its impact decreased, and what can and should be done to prevent any similar crisis from occurring in the future; and

WHEREAS, It is critical to the public confidence in both the privately insured savings and loan associations and in all levels of State government that, in a totally independent and unbiased atmosphere, a careful evaluation of the events surrounding the savings and loan crisis take place including an investigation of the programs, policies, and actions of the State of Maryland, its agencies and officials, and the Private Sector; and

WHEREAS, The appointment of an--investigator a Special Counsel, not connected with State Government, to conduct such a broad and comprehensive investigation would maximize public confidence in the investigation; and