

## VETOES

fails to recognize the unique statutory procedures which already apply to local government construction contracts. In addition, it seriously undermines established administrative practices and may cause tremendous problems in the administration of local government contracts.

In addition, this legislation exempts state procurement contracts, but not local procurement contracts. Since there is no substantial difference between the construction contracts of the State and the local governments, there is no justifiable reason for not extending that same exemption to the political subdivisions. The omission of that provision could have a substantial financial impact upon the budgets of the local governments.

Finally, this legislation may have a direct impact on the Maryland Stadium Authority, and could adversely affect the Authority's ability to proceed expeditiously with contract negotiations.

For those reasons, I have decided to veto Senate Bill 473.

Sincerely,  
William Donald Schaefer  
Governor

### Senate Bill No. 473

#### AN ACT concerning

#### Real Property - Construction Contracts

FOR the purpose of requiring certain individuals entering into certain construction contracts to make certain arrangements for payment ~~or--payment--to--escrow--pending--resolution--of--certain--disputes;--setting--certain--requirements--for--escrow--accounts;~~ authorizing courts to grant certain remedies; defining a certain term; providing for the award of certain fees and costs if a court makes a certain finding; exempting certain individuals and certain transactions from the provisions of this Act; exempting from the provisions of this Act contracts entered into prior to the effective date of this Act; and generally relating to construction contracts.

BY adding to

Article - Real Property

Section 10-601 to be under the new subtitle "Subtitle 6.  
Construction Contracts"