

## VETOES

It is very similar to Senate Bill 265 in that most of the regulatory provisions are the same. However, Senate Bill 265 is administered by the Insurance Division of the Department of Licensing and Regulation, while House Bill 177 would have been administered by the Consumer Protection Division of the Attorney General's Office and enforced under the Consumer Protection Act.

Senate Bill 265 was passed by the General Assembly and signed by me on May 25, 1989, therefore, it is not necessary for me to sign House Bill 177.

Sincerely,  
William Donald Schaefer  
Governor

### House Bill No. 177

#### AN ACT concerning

#### Deposits on New Homes - Letters of Credit

FOR the purpose of adding irrevocable letters of credit as an alternative form of required security for certain deposits received by certain vendors or builders of new single-family residential units; establishing the form and amount of a letter of credit obtained under the provisions of this Act; repealing a requirement that corporate surety bonds obtained to secure certain deposits be deposited with the Insurance Division; repealing a requirement that corporate surety bonds obtained to secure certain deposits be in a form approved by the Insurance Division; requiring the bonds to be deposited with and approved by the Division of Consumer Protection of the Office of the Attorney General; repealing a requirement that the Insurance Division adopt certain rules and regulations; requiring the Division of Consumer Protection of the Office of the Attorney General to administer the provisions of this Act and to adopt certain regulations; making it a misdemeanor to fail to obtain and maintain an irrevocable letter of credit under the provisions of this Act; requiring the Division of Consumer Protection to receive and investigate complaints from purchasers of new single-family residential units under certain circumstances and to draw against a letter of credit obtained under the provisions of this Act if the Division makes a certain finding; and generally relating to deposits on new homes.

BY repealing and reenacting, with amendments,