

(iii) A corporation in which the director holds any interest, unless an officer or employee of the banking institution is an officer or owns the majority interest in that corporation; OR

(2) A LOAN THAT IS:

(I) ~~NOT A COMMERCIAL~~ A CONSUMER LOAN; AND

(II) IS MADE TO AN EMPLOYEE OF A BANKING INSTITUTION WHO IS NOT AN EXECUTIVE OFFICER OR DIRECTOR OF THE BANKING INSTITUTION.

[(c)](D) (1) A loan to a director, officer, or employee of a banking institution may be made only if the loan has been approved by a resolution adopted at and recorded in the minutes of a meeting of:

(i) The board of directors of the banking institution; or

(ii) The executive committee of the banking institution, if that committee is authorized to make loans.

(2) If a loan is approved by an executive committee, the loan approval shall be reported to the board of directors at its next meeting.

[(d)](E) (1) A loan made under this section shall be reviewed every 6 months by the board of directors.

(2) The loan may not be renewed or extended unless the renewal or extension has been approved by a resolution adopted at a meeting of the board of directors and recorded in the minutes of the meeting.

[(e)](F) All loans to a director, officer, or employee of a banking institution are subject to the limitations imposed by § 3-601 of this article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1993.

May 27, 1993

The Honorable R. Clayton Mitchell, Jr.  
Speaker of the House of Delegates  
State House  
Annapolis, Maryland 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed House Bill 1614.

This bill would designate a new recipient of the proceeds of the bonds issued for the Avalon Theatre Loan of 1990. It would also modify the purpose of the loan and extend the time for the Board of Trustees to provide evidence of a matching fund to the Board of Public Works.