

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Financial Institutions

1-206.

(A) IN THIS SECTION, "FIDUCIARY DEPOSIT SURETY BOND" MEANS A SURETY BOND THAT:

(1) GUARANTEES THE PAYMENT OF DEPOSITED FUNDS AWAITING DISTRIBUTION OR INVESTMENT HELD BY A FINANCIAL INSTITUTION IN A FIDUCIARY CAPACITY; AND

(2) SUBJECT TO THE TERMS AND CONDITIONS OF THE BOND, IS IRREVOCABLE AND ABSOLUTE.

(B) IF APPLICABLE LAW REQUIRES A DEPOSIT MADE BY A FINANCIAL INSTITUTION TO BE COLLATERALIZED, THE FINANCIAL INSTITUTION MAY TAKE AS COLLATERAL FOR THE DEPOSIT, IN ADDITION TO ANY OTHER PERMISSIBLE COLLATERAL, A FIDUCIARY DEPOSIT SURETY BOND ISSUED BY AN INSURANCE COMPANY AUTHORIZED TO DO BUSINESS IN THIS STATE, THE CLAIMS-PAYING ABILITY OF WHICH IS RATED IN THE HIGHEST CATEGORY BY AT LEAST TWO NATIONALLY RECOGNIZED STATISTICAL RATING AGENCIES.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1994.

May 26, 1994

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, Maryland 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 406.

This bill would provide that a mobile home park owner must renew a "qualified resident's" one-year lease no later than 30 days before the expiration of the existing term, or offer a month-to-month lease; if the land use of the park is changed, residents must be given one year's notice; within 30 days of obtaining ownership of a mobile home through inheritance, the owner must apply for a rental agreement, offer the mobile home for sale, or move the mobile home; and the park owner must submit a plan for relocating residents when applying for a change of land use of a park.

House Bill 673, which was passed by the General Assembly and signed by me on May 26, 1994, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 406.