

May 27, 1999

The Honorable Casper R. Taylor, Jr.
Speaker of the House
State House
Annapolis MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed House Bill 273.

This bill authorizes the reserve investments of life insurers to include residential real estate loans not exceeding 95 percent of the fair market value of the real estate if certain conditions are met.

Senate Bill 189, which was passed by the General Assembly and signed by me on May 27, 1999, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 273.

Sincerely,
Parris N. Glendening
Governor

House Bill 273

AN ACT concerning

Life Insurers - Reserve Investments

FOR the purpose of authorizing the reserve investments of life insurers to include certain residential real estate loans in an amount not exceeding a certain percentage of the fair market value of the real estate under certain circumstances; prohibiting a life insurer from placing more than a certain percentage of certain assets in certain loans; and generally relating to reserve investments of life insurers.

BY repealing and reenacting, with amendments,
Article - Insurance
Section 5-511(g)
Annotated Code of Maryland
(1997 Volume and 1998 Supplement)

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

Article - Insurance

5-511.

(g) (1) The reserve investments of a life insurer may include loans secured by first mortgages, or deeds of trust, on unencumbered fee-simple or improved