

May 26, 1999

The Honorable Casper R. Taylor, Jr.
Speaker of the House
State House
Annapolis MD 21401-1991

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I today vetoed House Bill 709 - Recordation Tax - Payment and Collection.

House Bill 709 provides that the recordation tax due to a county for the recordation of deeds and other instruments may be paid directly to the county tax collector rather than to the clerk of the court. Under current law, in all but one county, the clerks of the court collect the recordation tax and retain a fee to cover the cost of recording deeds. In fiscal year 2001, an estimated \$5.7 million in fees will be collected to partially cover the clerks' recordation costs. While this bill will increase county revenues, it will force the State to reduce funding in priority areas such as school construction to pay the cost of recording deeds.

House Bill 709 is similar to legislation I vetoed after the 1997 and 1998 Sessions. As stated in my veto messages for the last two years, I have and will continue to support the needs of local government. My fiscal year 2000 budget includes an unprecedented level of aid to local government, primarily for education. Total direct State aid to primary and secondary education increased by \$88.9 million over fiscal year 1999, or 4.2 percent. Similarly, the appropriation for school construction totaled \$255 million in fiscal year 2000, an increase of \$30 million. In light of this assistance, the State should not assume additional general fund commitments of the magnitude required under House Bill 709. More importantly, the \$5.7 million in revenues should continue to be devoted to the priorities of education aid and school construction funding.

For the above reason, I have vetoed House Bill 709.

Sincerely,
Parris N. Glendening
Governor

House Bill 709

AN ACT concerning

Recordation Tax - Payment and Collection

FOR the purpose of providing for collection of the recordation tax by certain county officers instead of by the clerks of the circuit court under certain circumstances; requiring certain county officers to deduct from the recordation tax and remit to the Comptroller a certain percentage for a certain fiscal year; and generally relating to the payment and collection of the recordation tax imposed on certain instruments.

BY repealing and reenacting, without amendments,