

THE FORM OF THE POLICY OR ANNUITY CONTRACT AND THE PLAN OF OPERATIONS OPERATION HAS BEEN FILED WITH AND APPROVED BY THE COMMISSIONER.

(2) Preferred and common stock investments of amounts allocated to a segregated asset account may not be included in applying the 10% limitations under § 5-511(f) of this article.

[(3) Up to 25% of the assets of a segregated asset account may be invested in nondividend paying stock if the issuer of the stock has not had a net operating loss:

(i) in more than 2 of its 12 fiscal quarters immediately preceding the date of purchase of the stock; or

(ii) in more than 2 of its fiscal quarters from the date of its incorporation if it has not been incorporated for at least 3 years before the date of purchase of the stock.]

(b) The investments of a segregated asset account shall comply with the regulations of the Commissioner.

(c) To the extent provided under the applicable contracts, the part of the assets of a segregated asset account equal to the reserves and other contract liabilities with respect to the account may not be chargeable with liabilities arising out of any other business that the insurer may conduct.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1999.

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 803.

This bill provides that a homeowners association may not prohibit the use of a residence as a family day care home or no-impact home-based business in its declaration, bylaws, or recorded covenants and restrictions until the lot owners, other than the developer, have 90% of the votes in the homeowners association.

Senate Bill 403, which was passed by the General Assembly and signed by me on May 13, 1999, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 803.

Sincerely,  
Parris N. Glendening  
Governor