

BY repealing and reenacting, with amendments,
Chapter 213 of the Acts of the General Assembly of 1999
Section 1(5)

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

Chapter 213 of the Acts of 1999

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That:

(5) Prior to the payment of any funds under the provisions of this Act for the purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching fund. No part of the grantee's matching fund may be provided, either directly or indirectly, from funds of the State, whether appropriated or unappropriated. No part of the fund may consist of real property, in kind contributions, or funds expended prior to the effective date of this Act. In case of any dispute as to the amount of the matching fund or what money or assets may qualify as matching funds, the Board of Public Works shall determine the matter and the Board's decision is final. The grantee has until June 1, [2001] 2003, to present evidence satisfactory to the Board of Public Works that a matching fund will be provided. If satisfactory evidence is presented, the Board shall certify this fact and the amount of the matching fund to the State Treasurer, and the proceeds of the loan equal to the amount of the matching fund shall be expended for the purposes provided in this Act. Any amount of the loan in excess of the amount of the matching fund certified by the Board of Public Works shall be canceled and be of no further effect.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2001.

May 17, 2001

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 1352 – Insurance – Insurer Insolvencies – Claims Priority.

This bill provides that in the event of an insurer insolvency where there are known or potential claims of the federal government, the priority of claims distribution is: (1) administrative expenses; (2) claims made by policyholders, beneficiaries, or insureds; liability claims against insureds; and guaranty fund claims; (3) federal government claims; (4) the first \$500 of compensation or wages owed to an officer or employee of the insurer; (5) state or local tax claims; and (6) all other claims of general creditors.

Senate Bill 837, which was passed by the General Assembly and signed by me,