

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 262.

This bill authorizes a lender that makes a loan under the Maryland Consumer Loan Law to collect from the borrower, at the option of the borrower, the premiums paid for accident and health insurance covering one or more borrowers. Current law provides for the collection of premiums covering only one borrower.

House Bill 106, which was passed by the General Assembly and signed by me on May 21, 1998, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 262.

Sincerely,  
Parris N. Glendening  
Governor

**Senate Bill No. 262**

AN ACT concerning

**Credit Regulation - Consumer Loans ~~and Secondary Mortgage Loans~~ - Insurance**

FOR the purpose of authorizing a lender that makes a loan under the Maryland Consumer Loan Law - Credit Provisions ~~or under the Maryland Secondary Mortgage Loans Law - Credit Provisions~~, to collect from the borrower, at the option of the borrower, the premiums paid for accident and health insurance covering any one or more borrowers.

BY repealing and reenacting, with amendments,

Article - Commercial Law

Section 12-312(a) ~~and 12-410(b)~~

Annotated Code of Maryland

(1990 Replacement Volume and 1997 Supplement)

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

**Article - Commercial Law**

12-312.

(a) Subject to the provisions of this section, a lender may collect from the borrower, at the option of the borrower, the premiums paid for:

(1) Insurance covering any real or personal property pledged as security for the loan;

(2) Accident and health insurance covering any [one borrower] ONE OR MORE BORROWERS, if the insurance does not provide for benefits exceeding the actual period of disability;