

**SECTION 5-6. AND BE IT FURTHER ENACTED,** That Section 1 of this Act shall take effect July 1, 1999. Section 16-110(i) of the Transportation Article, as enacted by Section 1 of this Act, shall remain effective for a period of 2 years and, at the end of June 30, 2001, with no further action required by the General Assembly, § 16-110(i) of the Transportation Article, as enacted by Section 1 of this Act shall be abrogated and of no further force and effect.

**SECTION 6-7. AND BE IT FURTHER ENACTED,** That, subject to Section 5 6 of this Act, this Act shall take effect October 1, 1998.

May 20, 1998

The Honorable Thomas V. Mike Miller, Jr.  
President of the Senate of Maryland  
State House  
Annapolis MD 21401-1991

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I today vetoed Senate Bill 291 - Recordation Tax - Payment and Collection.

Senate Bill 291 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 2000, an estimated \$5 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.

Senate Bill 291 is identical to legislation I vetoed after the 1997 Session. As stated in my veto message last year, I have and will continue to support the needs of local government. My fiscal year 1999 budget includes an unprecedented level of aid to local government, primarily for education. Total direct State aid to primary and secondary education increased by \$182.7 million over fiscal year 1998, or 9.5 percent. Similarly, the appropriation for school construction totaled \$225 million in fiscal year 1999, an increase of over \$74 million. In light of this assistance, the State should not assume additional general fund commitments of the magnitude required under Senate Bill 291. More importantly, the \$5 million in revenues should continue to be devoted to the priorities of education aid and school construction funding.

While I remain concerned over the loss of State revenues, I am aware of the importance of this legislation to county governments. The collection of recordation taxes should be further studied in the context of the State's fiscal condition and local government priorities for the 1999 Session.

For the above reason, I have vetoed Senate Bill 291.

Sincerely,  
Parris N. Glendening  
Governor