

VETOES

Sincerely,
Marvin Mandel
Governor

Senate Bill No. 656 - Broker-Dealers in Securities
AN ACT concerning
Broker-Dealers - Net Capital; Aggregate Indebtedness

FOR the purpose of granting the Maryland Securities
Commissioner the authority to vary the minimum net
capital requirement and aggregate indebtedness
limitation for certain classes of broker-dealers
which the Commissioner shall determine by
administrative rule or order.

May 17, 1976.

Honorable Steny H. Hoyer
President of the Senate
State House
Annapolis, Maryland 21404

Dear Mr. President:

In accordance with Article II, Section 17, of the
Maryland Constitution, I have today vetoed Senate Bill
656.

This bill authorizes the Maryland Securities
Commissioner to vary the minimum net capital requirement
and aggregate indebtedness limitation for certain classes
of broker-dealers.

House Bill 1255, which was enacted by the General
Assembly and signed by me May 4, 1976, accomplishes the
same purpose. In addition, House 1255 authorizes the
Commissioner to grant such variances by rule or order,
while Senate Bill 656 authorizes him to do so only by
order, although the title to Senate Bill 656 refers to
the Commissioner's power to act by either rule or order.
With the exception of two words, the bills are identical.

It is apparent that both of these bills intend to
authorize the Commissioner to act by either rule or order
in such cases. However, Senate Bill 656 does not make
this intention clear.

Since the provisions of House Bill 1255 are clearer,
and since the purpose of Senate Bill 656 is accomplished