

~~(III)~~ 3. 10% OF THE AGGREGATE SUM ON ~~JULY~~ DECEMBER 31 OF EACH OF THE SUCCEEDING 2 YEARS;

~~(IV)~~ 4. 5% OF THE AGGREGATE SUM ON ~~JULY~~ DECEMBER 31 OF EACH OF THE SUCCEEDING 2 YEARS;

~~(V)~~ 5. 3% OF THE AGGREGATE SUM ON ~~JULY~~ DECEMBER 31 OF EACH OF THE SUCCEEDING 2 YEARS;

~~(VI)~~ 6. 2% OF THE AGGREGATE SUM ON ~~JULY~~ DECEMBER 31 OF EACH OF THE SUCCEEDING 7 YEARS; AND

~~(VII)~~ 7. 1% OF THE AGGREGATE SUM ON ~~JULY~~ DECEMBER 31 OF EACH OF THE SUCCEEDING 5 YEARS.

(2) THE GUARANTY FUND OR UNEARNED PREMIUM RESERVE ESTABLISHED FOR TITLE INSURANCE CONTRACTS ISSUED DURING THE 20 YEARS PRECEDING OCTOBER 1, 1997 SHALL BE RECALCULATED IN ACCORDANCE WITH THIS SUBSECTION.

(3) THE AGGREGATE SUM OF ANY EXCESS RESERVES RESULTING FROM A RECALCULATION UNDER THIS SUBSECTION SHALL BE RELEASED OVER A 5-YEAR PERIOD IN EQUAL INSTALLMENTS OF 20% PER YEAR.

(B) (1) EACH TITLE INSURER SHALL FILE WITH ITS ANNUAL STATEMENT REQUIRED UNDER § 4-116 OF THIS ARTICLE A CERTIFICATION BY A MEMBER IN GOOD STANDING OF THE AMERICAN ACADEMY OF ACTUARIES AS TO THE ADEQUACY OF ITS RESERVES REQUIRED UNDER THIS SECTION AND § ~~5-201(B)~~ 5-103 OF THIS ~~SUBTITLE~~ TITLE.

(2) THE ACTUARIAL CERTIFICATION REQUIRED OF A TITLE INSURER MUST CONFORM TO THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS' ANNUAL STATEMENT INSTRUCTIONS FOR TITLE INSURERS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1997.

May 22, 1997

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 454 - Recordation Tax - Payment and Collection.

Senate Bill 454 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