

Veto No. 1990-4

SB 1511

October 12, 1990

To the Honorable, the Senate
of the Commonwealth of Pennsylvania:

I return herewith, without my approval, Senate Bill 1511, Printer's No.1992, entitled "An act amending the act of December 14, 1967 (P.L.746, No.345), entitled 'An act relating to and regulating the business of savings associations heretofore designated under other acts and special charters variously as building and loan associations and savings and loan associations; defining the rights, powers, duties, liabilities, and immunities of such associations; affecting persons engaged in the business of savings associations; affecting the members, account holders and borrowers of such associations; affecting Federal savings and loan associations whose principal office is located in the Commonwealth; prohibiting the transaction of business in this Commonwealth by foreign savings associations; conferring powers and imposing duties on certain departments and officers of the Commonwealth and on the courts, recorders of deeds; creating a Savings Association Board and defining its powers and duties; prohibiting certain actions and imposing penalties, and repealing certain acts,' providing for reciprocal interstate operations; permitting the formation of mutual holding companies; further providing for acquisitions of the stock of a savings association; revising proxy rules; and making repeals."

I am not convinced that this legislation is in the best interests of Pennsylvania savings and loan institutions and their investors. At this time, legislation giving our institutions broader powers to form mutual holding companies and to acquire, or be acquired by, out-of-state thrifts seems quite premature. Until more progress has been made by the Federal government in reforming the deposit insurance system and the financial services industries, especially the thrift industry, I do not believe Pennsylvania should rush into such a substantial revision of our own statute.

Therefore, I am returning Senate Bill 1511 without my signature.

ROBERT P. CASEY