

BY adding to

Article 25A - Chartered Counties of Maryland
Section 1A
Annotated Code of Maryland
(1973 Replacement Volume and 1975 Supplement)

BY adding to

Article 25B - Home Rule for Code Counties
Section 13A
Annotated Code of Maryland
(1973 Replacement Volume and 1975 Supplement)

WHEREAS, The Court of Appeals of Maryland has held that, as a result of the common law doctrine of sovereign immunity, a suit cannot be maintained against the State or its political subdivisions, unless authorized by the Legislature, and funds are available to satisfy any judgment rendered; and

WHEREAS, The Court of Appeals further has stated that any change in the doctrine of sovereign immunity must be made by the Legislature; and

WHEREAS, Maryland is one of the few States which has not yet abolished or modified the effect of this common law doctrine; and

WHEREAS, The Governor's Commission to Study Sovereign Immunity has thoroughly studied the issues presented by an abrogation or modification of the doctrine in actions in contract and has thoroughly considered the effects of retaining this defense; and

WHEREAS, The Governor's Commission to Study Sovereign Immunity believes that there exists a moral obligation on the part of any contracting party, including the State or its political subdivisions, to fulfill the obligations of a contract; and

WHEREAS, The Governor's Commission to Study Sovereign Immunity has concluded that the doctrine is no longer appropriate to actions on certain contracts, and that the effects of this doctrine should be limited by legislative action; now, therefore,

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That new Section 10A be and it is hereby added to Article 41 - Governor - Executive and Administrative Departments, of the Annotated Code of Maryland (1971 Replacement Volume and 1975 Supplement) to read as follows:

Article 41 - Governor - Executive and Administrative
Departments