

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1978.

Approved May 29, 1978.

CHAPTER 872

(House Bill 348)

AN ACT concerning

State Contracts - Bond

FOR the purpose of prohibiting a State agency from requiring that bid ~~or~~, performance, and payment bonds be posted for certain contracts in certain cases and subject to certain exceptions.

BY adding to

Article 41 - Governor - Executive and Administrative
Departments

Section 231M-2

Annotated Code of Maryland

(1971 Replacement Volume and 1977 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article 41 - Governor - Executive and
Administrative Departments

231M-2.

NOTWITHSTANDING ANY PROVISIONS OF SECTION 8-614 (E) OF THE TRANSPORTATION ARTICLE OR SECTION 9-113 OF THE REAL PROPERTY ARTICLE TO THE CONTRARY, NO AGENCY OF THE STATE INVOLVED IN PURCHASING GOODS AND SERVICES, INCLUDING CONSTRUCTION AND REPAIR CONTRACTS, MAY REQUIRE BID OR PERFORMANCE, AND PAYMENT BONDS TO BE POSTED IF THE CONTRACT PRICE IS LESS THAN \$400,000 \$25,000, UNLESS SUCH BONDS ARE REQUIRED BY FEDERAL LAW OR REGULATION OR AS A CONDITION TO FEDERAL ASSISTANCE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1978.

Approved May 29, 1978.
