

**CHAPTER 567**

**(House Bill 294)**

AN ACT concerning

**Bonds - Small Denominations**

FOR the purpose of altering the maximum denomination that qualifies for a small denomination bond; and generally relating to small denomination bonds.

BY repealing and reenacting, with amendments,

Article - State Finance and Procurement

Section 8-123.2

Annotated Code of Maryland

(2001 Replacement Volume and 2005 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article - State Finance and Procurement**

8-123.2.

(a) In this section, "small denomination bonds" means bonds in denominations of ~~[\$1,000]~~ \$5,000 or less.

(b) In accordance with § 8-121 of this subtitle, the Board, in a resolution setting forth the terms and conditions of any State bond issue, may designate that all or a portion of the State bonds be issued as small denomination bonds.

(c) Small denomination bonds may be issued in any form permitted under § 8-121 of this subtitle.

(d) The Board may sell small denomination bonds at a negotiated sale if the Board determines that a negotiated sale will:

- (1) result in either a more efficient or economical sale of the bonds; or
- (2) provide greater access to investors who are residents of the State of Maryland.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2006.

Enacted May 26, 2006.