

(ii) Equipment needed to perform the contract, the cost of which can be repaid from contract proceeds, if the Authority has entered into an agreement with the applicant necessary to secure the loan or guaranty.

5-1024.

(a) The Authority may utilize the Contract Financing Fund to lend money to an applicant only if:

(1) The applicant meets the requirements of this subtitle;

(2) The loan does not exceed ~~[\$500,000]~~ \$1,000,000;

(3) The loan is to be used to perform a contract, the majority of funding for which is provided by the federal government or a state government, a local government, or a utility regulated by the Public Service Commission; and

(4) The loan is to be used for:

(i) Working capital; or

(ii) Equipment needed to perform the contract, the cost of which can be repaid from contract proceeds, if the Authority has entered into an agreement with the applicant necessary to secure the loan.

5-1035.

(a) Subject to the restrictions of this Part VI, the Authority, on application, may guarantee any surety up to the lesser of 90 percent or ~~[\$900,000]~~ \$1,350,000 of its losses incurred under a bid bond, a payment bond, or a performance bond on any contract, the majority of the funding for which is provided by the federal government or a state government, a local government or a utility regulated by the Public Service Commission.

(d) (1) The Authority may execute and perform bid, performance, and payment bonds as a surety for the benefit of a principal in connection with any contract, the majority of the funding for which is provided by the federal government or a state government, a local government, or a utility regulated by the Public Service Commission.

(2) The bonds:

(i) May not exceed ~~[\$750,000]~~ \$1,000,000 each; and

(ii) Shall be subject to the approval of the Authority, based on the bond worthiness of the principal as determined by the Authority on review of an application.

(3) The monetary limit in this subsection does not apply if the sources of funding for the bonds are grants.