

WHEREAS, Section 8 of Chapter 775 of the Acts of 1980 (the "Procurement--Act Article") merely transferred, with certain stylistic changes only, the Sovereign Immunity Act from Article 41, § 10A, to the new Article 21, Title 7, Subtitle 1, effective June 1, 1981, and, in doing so, may have narrowed inadvertently the scope of the Sovereign Immunity Act so as to prohibit the defense only in cases involving contracts which are subject to the Procurement Act; and

WHEREAS, The Office of the Attorney General, after reviewing the matter, concluded that the General Assembly had not intended to narrow the scope of the sovereign immunity defense prohibition; and

WHEREAS, Notwithstanding the views of the Attorney General's Office, Chapter 284 of the Acts of 1984 ("the the "State Government Act Article"), in revising the Sovereign Immunity Act without substantive change and transferring it from the Procurement Article to the new State Government Article, reflected the view that the Procurement -Act- Article had narrowed the scope of the Sovereign Immunity Act so as to prohibit the defense only with respect to written contracts with which are subject to the Procurement Article; and

WHEREAS, There consequently is a need to clarify the intent of the General Assembly and the scope of the Sovereign Immunity Act; now, therefore,

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

Article - State Government

[12-201.

This subtitle applies only to a contract:

(1) as defined in Article 21, § 1-101 of the Code; and

(2) not excluded by Article 21, § 1-202 of the Code.]

[12-202.] 12-201.

(a) Except as otherwise expressly provided by a law of the State, the State, its officers, and its units may not raise the defense of sovereign immunity in a contract action, in a court of the State, based on a written contract that an official or employee executed for the State or 1 of its units while the official or employee was acting within the scope of the authority of the official or employee.

(b) In an action under this subtitle, the State and its officers and units are not liable for punitive damages.