CHAPTER 546

(House Bill 1202)

AN ACT concerning

State Finance and Procurement - <u>Baltimore City</u> - Authorization to Self-Insure <u>Satisfy</u> Bonding Requirements for Construction Contracts

FOR the purpose of authorizing any-county-or Baltimore City to provide by local ordinance for a program for the purpose of providing the surety coverage requirements in the "Little Miller Act" for certain contracts or-in-local-laws-or charters; and generally relating to performance and payment bond requirements for construction contracts.

BY adding to

Article - State Finance and Procurement Section 13-501(h) Annotated Code of Maryland (1985 Volume)

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

Article - State Finance and Procurement

13-501.

(H)-(1)--ANY---COUNTY--OR--BALTIMORE--CITY--MAY--PROVIDE--BY ORDINANCE-FOR-A-PROGRAM-TO-GUARANTEE-THE-PERFORMANCE--OR--PAYMENT BY--CONSTRUCTION--CONTRACTORS-FOR-CONTRACTS-AWARDED-BY-THE-COUNTY OR-CITY:

+2)--ANY-COUNTY--OR--BALTIMORE--CITY--MAY--ACCEPT--THE PARTICIPATION-OF-A-CONTRACTOR-IN-A-PROGRAM-ESTABLISHED-UNDER-THIS SUBSECTION--AS--SATISFACTORY--SECURITY-FOR-PURPOSES-OF-SUBSECTION +A)-OF-THIS-SECTION:

[H] BALTIMORE CITY MAY PROVIDE BY ORDINANCE FOR A PROGRAM TO SATISFY THE BONDING REQUIREMENTS PROVIDED FOR IN SUBSECTION (A) OF THIS SECTION FOR A CONSTRUCTION CONTRACT:

11) THAT IS NOT IN EXCESS OF \$100,000; AND

[2] IN WHICH THERE ARE NO STATE FUNDS.

(3)--ANY-COUNTY--OR--BALTIMORE--CITY--MAY--PROVIDE--BY ORDINANCE;--IN-ESTABLISHING-A-PROGRAM-UNDER-PARAGRAPH-(1)-OF-THIS SUBSECTION;-THAT-PARTICIPATION-BY-A-CONTRACTOR--IN--THAT--PROGRAM SHALL--SATISFY--ANY--REQUIREMENT-MADE-BY-LOCAL-LAW-OR-CHARTER-FOR