

(1) TO INVEST THE RETAINAGE PLACED IN THE ESCROW ACCOUNT; AND

(2) TO THE EXTENT THE CONTRACTOR IS ENTITLED TO RETAINAGE UNDER SUBSECTION (F)(2)(II) OF THIS SECTION, TO PAY THE EARNINGS ON THE INVESTMENT TO THE CONTRACTOR.

(F) (1) RETAINAGE MAY BE RELEASED TO THE CONTRACTOR ONLY AS DIRECTED BY THE TRANSPORTATION UNIT.

(2) AT THE TIME OF FINAL PAYMENT, THE TRANSPORTATION UNIT SHALL DIRECT THE ESCROW AGENT TO SETTLE THE ESCROW ACCOUNT BY DISTRIBUTING MONEY IN THE ESCROW ACCOUNT IN THE FOLLOWING ORDER:

(I) TO THE TRANSPORTATION UNIT FOR ANY CLAIM IT MAY HAVE AGAINST THE CONTRACTOR UNDER THE PROCUREMENT CONTRACT;

(II) UNLESS WAIVED BY THE BOARD, TO THE COMPTROLLER FOR ANY CLAIM EXCEEDING \$50 AGAINST THE CONTRACTOR BY THE STATE, A UNIT, OR A STATE CONTROLLED GOVERNMENTAL ENTITY; AND

(III) TO THE CONTRACTOR.

SECTION 4. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall take effect July 1, 1988 and shall remain effective through September 30, 1988.

SECTION 5. AND BE IT FURTHER ENACTED, That Sections 2 and 3 of this Act shall take effect October 1, 1988.

Approved May 17, 1988.

CHAPTER 400

(House Bill 382)

AN ACT concerning

Frederick County - Finance and Taxation

FOR the purpose of changing, for finance and taxation matters for Frederick County, the referenced reference to surplus budgeted funds from "surplus" to "any actual or estimated undesignated general fund balance available for appropriation"; providing for an annual unappropriated designated general fund balance of the general fund expenditures for the preceding fiscal year; authorizing the