

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1993.

Approved April 13, 1993.

CHAPTER 45

(House Bill 501)

AN ACT concerning

Maryland Small Business Development Financing Authority

FOR the purpose of authorizing the Maryland Small Business Development Financing Authority to provide financial assistance pursuant to its contract financing and surety bond programs in connection with the same category of contracts by altering the types of contracts that both programs may assist; making uniform the references to the Surety Bond Fund; clarifying the small business surety bond program limitation language; authorizing the Maryland Small Business Development Financing Authority to issue multiple bonds; making this Act an emergency measure; and generally relating to the contract financing and surety bond programs.

BY repealing and reenacting, with amendments,

Article - Financial Institutions

Section 13-202, 13-213, 13-228(a), 13-229(a), 13-230(a), 13-234.3(a) and (d), 13-234.4, and 13-234.6(b)

Annotated Code of Maryland

(1992 Replacement Volume and 1992 Supplement)

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

Article - Financial Institutions

13-202.

(a) The General Assembly finds that:

(1) The inability of socially or economically disadvantaged persons to obtain working capital is a major limitation on their opportunity to win and perform government AND OTHER contracts;

(2) In many instances on record, a socially or economically disadvantaged person has been awarded a government OR OTHER contract, but has lacked the working capital to post a performance bond, buy supplies needed to begin the work, or pay employees and, therefore, has been unable to accept the contract;

(3) Certain persons are unable to obtain government AND OTHER contracts for reasons other than the cost to the [government] OWNER or the ability of the person to perform the contract work competently;