

(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.

13-234.3.

(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 of its losses incurred under a bid bond, a payment bond, or a performance bond on any contract [with], THE MAJORITY OF THE FUNDING FOR WHICH IS PROVIDED BY the federal GOVERNMENT or [State] A STATE [or] 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 [with], THE MAJORITY OF THE FUNDING FOR WHICH IS PROVIDED BY the federal GOVERNMENT or [State] A STATE government, a local government [in the State], or a utility regulated by the [State] Public Service Commission.

(2) The bonds:

(i) May not exceed \$250,000 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.

13-234.4.

In addition to its authority under this Program, on application, the Authority may establish a surety bonding line in order to ISSUE OR guarantee multiple bonds to a principal within preapproved terms, conditions, and limitations.

13-234.6.

(b) The application shall include:

- (1) A detailed description of the [government or utility] project;
- (2) An itemization of known and estimated costs;
- (3) The total amount of investment required to perform the [government or utility] contract;
- (4) The funds available to the principal for working capital;
- (5) The amount of bonding assistance sought from the Authority;
- (6) Information that relates to the inability of the principal to obtain adequate bonding on reasonable terms through normal channels;