

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 318 - *Maryland Small Business Development Financing Authority - Financing Limitations*.

This bill alters limitations on lending, guarantees, and equity participation financing by the Maryland Small Business Development Financing Authority in specified transactions. It alters the maximum amount of a loan guarantee that the Authority may make using the Contract Financing Fund and alters the maximum amount of a loan guarantee that the Authority may make using the Guaranty Fund.

House Bill 989, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 318.

Sincerely,

Martin O'Malley  
Governor

### Senate Bill 318

AN ACT concerning

#### Maryland Small Business Development Financing Authority - Financing Limitations

FOR the purpose of altering certain limitations on lending, guarantees, and equity participation financing by the Maryland Small Business Development Financing Authority in certain transactions; altering the maximum amount of a loan guarantee that the Authority may make using the Contract Financing Fund; altering the maximum amount of a loan guarantee that the Authority may make using the Guaranty Fund; altering the scope of contracts for which the Authority may act as a surety and guarantee losses incurred by certain sureties under the Small Business Surety Bond Program and certain limitations; altering certain limitations on the amount of equity and investment that the Authority may own in certain businesses and franchises under the equity participation financing program; altering certain limitations on the qualifications of certain enterprises and principals seeking to acquire certain existing businesses in connection with equity participation financing provided by the Authority; requiring that certain reports include a certain evaluation; requiring that the Authority submit certain reports to certain committees of the General Assembly; providing for the effective date of certain provisions of this