

- (i) the maintenance or warranty period required by the contract; and
- (ii) the period during which the surety may be liable for latent defects.

(d) "Fund" means the Small Business Surety Bond [Guaranty] Fund.

(e) "Principal" means a small business entity that has assets, income or employees that do not exceed limits established by the Authority pursuant to regulation or administrative determination.

(f) "Program" means the Small Business Surety Bond [Guaranty] Program created by Part VI of this subtitle.

13-234.2.

(a) There is a Small Business Surety Bond [Guaranty] Fund.

(b) The Fund is a continuing, nonlapsing, revolving fund that consists of:

(1) Moneys appropriated by the State to the Fund;

(2) Premiums, fees, and any other amounts received by the Authority with respect to bonding assistance provided by the Authority under this Program;

(3) Proceeds designated by the Authority from the sale, lease, or other disposition of property or contracts held or acquired by the Authority;

(4) Income from investments that the State Treasurer makes from moneys in the Fund; and

(5) Any other moneys made available under this Program.

(c) The Fund shall be used:

(1) For the purposes described in this Program; and

(2) To pay any and all expenses of the Authority in administering the Program.

(d) Moneys in the Fund shall be deposited with the State Treasurer and invested and reinvested in the same manner as other State funds, and any investment earnings shall be paid into the Fund.

13-234.3.

(a) Subject to the restrictions of this Part VI, the Authority, on application, may guarantee any surety up to 90 percent of its losses incurred under a bid bond, a payment bond, or a performance bond of not more than \$1,000,000 for each bond on any contract with the federal or State or a local government or a utility regulated by the Public Service Commission.

(b) The term of a guaranty under this Part VI may not exceed the contract term.