

Act; and generally relating to the Maryland Small Business Development Financing Authority.

BY repealing and reenacting, with amendments,
 Article 83A – Department of Business and Economic Development
 Section 5–1022(a), 5–1024(a), 5–1029(a), 5–1035(a) and (d)(1), and 5–1046
 Annotated Code of Maryland
 (2003 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
 Article 83A – Department of Business and Economic Development
 Section 5–1035(a)
 Annotated Code of Maryland
 (2003 Replacement Volume and 2006 Supplement)
 (As enacted by Section 1 of this Act)

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

Article 83A – Department of Business and Economic Development

5–1022.

(a) The Authority may utilize the Contract Financing Fund to guarantee a loan made to an applicant only if:

- (1) The applicant meets the qualifications required by this subtitle;
- (2) The loan is to be used to perform a contract, the majority of funding for which is provided by the federal government or a state government, a local government, or a utility regulated by the Public Service Commission;
- (3) The [part of the loan to be guaranteed] **MAXIMUM AMOUNT PAYABLE BY THE AUTHORITY UNDER ITS GUARANTEE** does not exceed ~~[\$1,000,000]~~ **\$2,000,000**; and
- (4) The loan to be guaranteed is to be used for:
 - (i) Working capital; or
 - (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 or guaranty.