

Chapter 248

(House Bill 440)

AN ACT concerning

Howard County – Insurance – Certificates of Guarantee for County Bond Requirements

Ho. Co. 8–15

FOR the purpose of authorizing Howard County to honor certificates of guarantee that are issued by certain associations or their wholly owned subsidiaries on behalf of certain contractors for the purpose of satisfying certain county bond requirements; providing that Howard County is not required under certain provisions of law to honor certain certificates of guarantee; altering a certain definition; and generally relating to Howard County and certificates of guarantee.

BY repealing and reenacting, with amendments,
Article – Insurance
Section 1–203
Annotated Code of Maryland
(2011 Replacement Volume and 2014 Supplement)

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

Article – Insurance

1–203.

(a) (1) In this section the following words have the meanings indicated.

(2) “Certificate of guarantee” means an instrument that is issued:

(i) by a nonprofit association of contractors, or its wholly owned subsidiary that is approved to operate by Calvert County, Charles County, **HOWARD COUNTY**, Prince George’s County, Montgomery County, St. Mary’s County, or Washington County, as appropriate; and

(ii) on behalf of a contractor for the purpose of satisfying:

1. county bond requirements for public improvements; or
2. other county bond requirements.

(3) “Contractor” means a person that, for a fixed price, commission, fee, or percentage, undertakes to bid on or accepts or offers to accept orders or contracts to perform or supervise the construction, improvement, or maintenance of a building, structure, or road.

(b) This article does not apply to a certificate of guarantee.

(c) Calvert County, Charles County, **HOWARD COUNTY**, Montgomery County, Prince George’s County, St. Mary’s County, and Washington County:

(1) may honor certificates of guarantee; but

(2) are not required under this article to honor certificates of guarantee.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2015.

Approved by the Governor, May 12, 2015.