

SENATE BILL 453

C8

5lr2156

By: **Senators Guzzone and Middleton**

Introduced and read first time: February 6, 2015

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Public-Private Partnership Agreements – Performance Security –**
3 **Requirements**

4 FOR the purpose of altering the requirement that a public-private partnership agreement
5 include, under certain circumstances, a certain provision regarding performance and
6 payment security to require that requirements for performance security for
7 construction contracts be in accordance with certain provisions of law; making a
8 conforming change; and generally relating to performance security in public-private
9 partnership agreements.

10 BY repealing and reenacting, with amendments,
11 Article – State Finance and Procurement
12 Section 10A-401(a)(12)
13 Annotated Code of Maryland
14 (2009 Replacement Volume and 2014 Supplement)

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

17 **Article – State Finance and Procurement**

18 10A-401.

19 (a) Whenever applicable, a public-private partnership agreement shall include
20 the following provisions:

21 (12) requirements for the private entity to provide performance and
22 payment security in a form and in an amount determined by the responsible public entity,
23 except that requirements for the **PERFORMANCE AND** payment security for construction
24 contracts shall be in accordance with Title 17, Subtitle 1 of this article, including the

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 requirement that **PERFORMANCE AND** payment security shall be established on the value
2 of the construction elements of the public–private partnership agreement and not on the
3 total value of the public–private partnership agreement.

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