

**Department of Legislative Services**  
Maryland General Assembly  
2005 Session

**FISCAL AND POLICY NOTE**

House Bill 338

(St. Mary's County Delegation)

Environmental Matters

Budget and Taxation

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**St. Mary's County Metropolitan Commission - Treasurer and Deputy Treasurers  
- Surety Bonds**

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This bill removes specific language that must be included in the surety bond given by the St. Mary's County Metropolitan Commission (MetCom) Treasurer and deputy treasurers, and replaces it with a broader requirement of the type of language that should be included in the surety bond, provided that the language is approved by the Maryland Insurance Administration and St. Mary's County Attorney.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** None. This bill is a technical change to the language that must be included in a surety bond given by the treasurer or deputy treasurer of the St. Mary's County Metropolitan Commission and does not affect county revenues or expenditures.

**Small Business Effect:** None.

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**Analysis**

**Background:** The St. Mary's County Metropolitan Commission is responsible for maintaining the sanitary districts in St. Mary's County. The commission was created by Chapter 816 of 1957, and its first meeting was in January 1964.

Without the specific language from the county code in the bond document for the MetCom treasurer, the treasurer would not be able to become fully bonded and sworn in

by the clerk of the circuit court. The Maryland Insurance Administration, however, has prescribed standard language that appears in all bond documents. Consequently, there was a problem securing a bond for the most recently appointed MetCom treasurer. Since the bond had to contain the specific language prescribed by the county code, it would not be standardized with the language prescribed by the Maryland Insurance Administration; therefore, it was difficult for MetCom to find an insurance underwriter who was willing to issue the bond. In order to avoid a similar problem in the future, the bill removes the required specific language, and allows the Maryland Insurance Administration and the St. Mary's County Attorney to approve the language included in the bond document.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** St. Mary's County, Maryland Insurance Administration, Department of Legislative Services

**Fiscal Note History:** First Reader - February 8, 2005  
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