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By: **Delegate Heller (Joint Committee on the Management of Public Funds)**  
**and Delegates Aumann, Bohanan, and Marriott**

Introduced and read first time: January 25, 2006

Assigned to: Appropriations

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Committee Report: Favorable

House action: Adopted

Read second time: February 28, 2006

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Bonds - Small Denominations**

3 FOR the purpose of altering the maximum denomination that qualifies for a small  
4 denomination bond; and generally relating to small denomination bonds.

5 BY repealing and reenacting, with amendments,  
6 Article - State Finance and Procurement  
7 Section 8-123.2  
8 Annotated Code of Maryland  
9 (2001 Replacement Volume and 2005 Supplement)

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

12 **Article - State Finance and Procurement**

13 8-123.2.

14 (a) In this section, "small denomination bonds" means bonds in denominations  
15 of [\$1,000] \$5,000 or less.

16 (b) In accordance with § 8-121 of this subtitle, the Board, in a resolution  
17 setting forth the terms and conditions of any State bond issue, may designate that all  
18 or a portion of the State bonds be issued as small denomination bonds.

19 (c) Small denomination bonds may be issued in any form permitted under §  
20 8-121 of this subtitle.

1 (d) The Board may sell small denomination bonds at a negotiated sale if the  
2 Board determines that a negotiated sale will:

- 3 (1) result in either a more efficient or economical sale of the bonds; or  
4 (2) provide greater access to investors who are residents of the State of  
5 Maryland.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
7 October 1, 2006.