
By: **Senator Lawlah (Joint Committee on the Management of Public Funds)**
and Senators Forehand, Haines, and McFadden

Introduced and read first time: January 25, 2006
Assigned to: Budget and Taxation

Committee Report: Favorable
Senate action: Adopted
Read second time: February 13, 2006

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.