

**State Reserve Fund — Dedicated Purpose Account — Reversion of Funds**  
**Savings and Loan Associations — Recovery and Reversion of Funds**

FOR the purpose of providing that certain moneys recovered by the Maryland Deposit Insurance Fund Corporation shall be transferred to the General Fund of the State and certain accounts within the State Reserve Fund; authorizing the reversion of certain funds in the Dedicated Purpose Account to the General Fund; and generally relating to Savings and Loan Associations and the recovery and reversion of funds.

BY repealing and reenacting, with amendments,

Article — Financial Institutions

Section 10-110.2 and 10-120(b)(3)

Annotated Code of Maryland

(1986 Replacement Volume and 1989 Supplement)

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

**Article — Financial Institutions**

10-110.2.

(A) Any moneys advanced by the State to the Fund from general or special funds or from the proceeds of general obligation bonds shall be maintained in a separate account and may not be subject to attachment or any other judicial process by any person.

(B) (1) ANY MONEYS RECOVERED BY THE FUND AS INSURER, SUBROGEE, CONSERVATOR, OR RECEIVER, AND NOT REQUIRED FOR THE PURPOSES OF THE FUND UNDER THIS TITLE OR FOR THE PURPOSES OF THE FUND AS A CONSERVATOR OR RECEIVER, SHALL BE DISTRIBUTED AS PROVIDED IN THIS SUBSECTION.

(2) THE FIRST \$42 MILLION SHALL BE DISTRIBUTED TO THE GENERAL FUND OF THE STATE AS REFLECTED IN GENERAL FUND REVENUES USED TO FUND APPROPRIATIONS IN THE STATE BUDGET FOR THE FISCAL YEAR COMMENCING JULY 1, 1990.

(3) \$3 MILLION IN FUNDS NOT REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL BE DISTRIBUTED TO THE CATASTROPHIC EVENT FUND AS ESTABLISHED UNDER § 7-317 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(4) FOR ANY BALANCE NOT DISTRIBUTED UNDER PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, FUNDS SHALL BE DISTRIBUTED TO THE DEDICATED PURPOSE ACCOUNT AS ESTABLISHED UNDER § 7-310 OF THE STATE FINANCE AND PROCUREMENT ARTICLE FOR NONRECURRING EXPENDITURES, SUCH AS PAY-AS-YOU-GO CAPITAL PROJECTS.