

CHAPTER 642

(House Bill 14)

AN ACT to repeal and re-enact, with amendments, Sections 266L, 266-O, 266R, 266S, 266X and 266Z of Article 41 of the Annotated Code of Maryland (1965 Replacement Volume and 1966 Supplement), title "Executive and Administrative Departments," subtitle "Industrial Buildings for Counties and Municipalities," revising the laws now providing for industrial buildings for counties and municipalities so as to unconditionally pledge the faith and credit of the State of Maryland to the insurance undertaking of the Maryland Industrial Development Financing Authority, to include "construction mortgages" in the definition of "mortgage," to define more clearly the duties of the Authority in the event of a default under any insured mortgage, to provide for investment of funds belonging to the Authority by the State Treasurer, to provide for negotiability of insured mortgages and to provide for the maintenance of the mortgage insurance fund at a level deemed adequate by the Authority by imposing duties upon the members of the Authority, including authorization for the creation of a State debt in the aggregate amount of thirty million dollars (\$30,000,000), the proceeds thereof to be used exclusively for the purpose of providing additions to the mortgage insurance fund and when this authorization may be used, and providing generally for the issuance and sale of certificates of indebtedness evidencing such loan.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Sections 266L, 266-O, 266R, 266S, 266X and 266Z of Article 41 of the Annotated Code of Maryland (1965 Replacement Volume and 1966 Supplement), title "Executive and Administrative Departments," subtitle "Industrial Buildings for Counties and Municipalities," be and they are hereby repealed and re-enacted with amendments, to read as follows :

266L.

The Maryland Industrial Development Financing Authority is authorized to insure the payment of mortgage loans secured by industrial projects, and to this end the faith and credit of the state are hereby pledged [, consistent with the terms and limitations of the terms of this subtitle]- TO THE EXTENT OF THIRTY MILLION DOLLARS (\$30,000,000).

266-O.

As used in this subtitle the following words and terms have the following meanings and unless the context indicates another or different meaning or intent :

(1) "Cost of project" means the aggregate costs incurred after the approval of a loan determined by the Authority to be reasonably necessary to the construction, acquisition, rehabilitation, or improvement of a project, including, without intending thereby to limit the generality of such costs : the cost of acquiring real property therefor ; the cost of constructing or reconstructing buildings and improvements thereon, including, to the extent such costs are not borne by the municipality, county, or other taxing district within which the project is located, the cost of constructing means of access to and