

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article 41 - Governor - Executive and Administrative
Departments

Residential Mortgage Program For [Code
Home Rule] CERTAIN Counties

266.

(a) The following legislative findings ~~are made~~ are made.

(1) As a result of the continuing increases in: the cost of construction or rehabilitation, county taxes, heating and electricity expenses, maintenance and repair expenses, inflation, the cost of land, the cost of energy conservation measures, and the levels of borrowing costs, including interest, low and moderate income persons and families in many areas within Allegany, Kent, WASHINGTON, and Worcester counties, including areas which contain presently stable neighborhoods and middle class residential housing, are unable to purchase, rehabilitate, and maintain decent, safe, and sanitary housing which provides an opportunity for home ownership either directly or through a condominium or cooperative form of ownership. The inability of families to purchase and hold housing in the counties results in the decline of new housing and in the decay of existing housing and of existing neighborhoods with attendant increases in costs for welfare, police and fire protection. The decline in new housing construction, together with the decay of existing housing, has produced a critical shortage of adequate housing in the counties adversely affecting the economy of the counties and the well-being of [its] THEIR residents. Private enterprise without the assistance of the residential mortgage program contemplated by this section cannot achieve the construction or rehabilitation of adequate housing for persons and families of low or moderate income. The alternative of forcing families to live in substandard housing is undesirable since it tends to decrease the interest of families in their communities, the maintenance of their property, and the preservation of their neighborhoods. The counties have a basic public interest in providing a supplemental source of single-family residential mortgage funds at a cost lower to the borrower than otherwise prevailing for residential mortgages for low and moderate income persons and families and a basic interest in stimulating a steady flow of funds for residential housing for low and moderate income persons and families and for low and middle class residential housing in order to assist in maintaining a well-balanced society, maintaining existing housing, preserving established neighborhoods, and maintaining a sound tax base.