

Approved May 2, 2006.

CHAPTER 396

(House Bill 1431)

AN ACT concerning

Linked Deposit Program - State Depository Financial Institutions - Loans to Minority Business Enterprises

FOR the purpose of establishing a Linked Deposit Program in the ~~Treasurer's Office~~ Department of Housing and Community Development for the purpose of stimulating opportunities for minority business enterprises to have access to credit by assisting these businesses in obtaining loans at lower than market interest rates; specifying that certain loans qualify under the Program; requiring the ~~Treasurer Department~~ to confirm with a certain certification agency that certain loans are made to certain businesses; requiring the ~~Treasurer Department~~ to establish certain procedures for a certain notification; requiring the Department to receive loan applications from minority business enterprises and forward loan applications to lenders; requiring the Department to require minority business enterprises to notify the Department concerning final loan disposition; requiring the Department to report annually to the Governor, the Treasurer, and the General Assembly on the overall performance of the Linked Deposit Program; allowing the Treasurer to establish the program for investment of deposits in certain financial institutions; allowing the Treasurer to purchase certain certificates of deposit; allowing the Treasurer to accept a rate that ~~gives a certain preference to the financial institution is a certain percent below current market rates or a certain index;~~ allowing the Treasurer to use up to a certain amount to purchase certificates of deposit; requiring ~~certain financial institutions~~ the Treasurer to reduce a certain loan amount upon a certain notification; providing that a certain loan is not a debt of the State or a pledge of the credit of the State; providing that the Treasurer and the State are not liable to certain financial institutions for certain payments of a loan assisted by a linked deposit; authorizing the Treasurer and the Department to adopt certain regulations; requiring a certain report; providing for the termination of this Act; and generally relating to the establishment of a Linked Deposit Program.

BY adding to

Article - State Finance and Procurement

Section 6-211

Annotated Code of Maryland

(2001 Replacement Volume and 2005 Supplement)

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