

**Article - State Finance and Procurement**

6-211.

(A) (1) THERE IS A LINKED DEPOSIT PROGRAM IN THE TREASURER'S OFFICE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT.

(2) THE PURPOSE OF THE LINKED DEPOSIT PROGRAM IS TO STIMULATE OPPORTUNITIES FOR MINORITY BUSINESS ENTERPRISES TO HAVE ACCESS TO CREDIT BY ASSISTING THESE BUSINESSES IN OBTAINING LOANS AT LOWER THAN MARKET INTEREST RATES.

(B) A LOAN QUALIFIES UNDER THE LINKED DEPOSIT PROGRAM IF THE LOAN:

(1) SATISFIES THE FINANCIAL INSTITUTION'S LENDING CRITERIA;

(2) HAS A TERM NOT EXCEEDING 10 YEARS;

(3) IS MADE TO A MINORITY BUSINESS ENTERPRISE CERTIFIED UNDER TITLE 14, SUBTITLE 3 OF THIS ARTICLE;

(4) HAS AN INTEREST RATE THAT IS 2 PERCENTAGE POINTS BELOW THE INTEREST RATE THE FINANCIAL INSTITUTION WOULD CHARGE FOR A LOAN FOR A SIMILAR PURPOSE AND A SIMILAR TERM; AND

(5) HAS POINTS OR FEES CHARGED AT LOAN CLOSING NOT EXCEEDING 1 PERCENT OF THE LOAN AMOUNT.

(C) THE TREASURER THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT SHALL:

(1) CONFIRM WITH THE CERTIFICATION AGENCY DESIGNATED UNDER TITLE 14, SUBTITLE 3 OF THIS ARTICLE THAT EACH LOAN UNDER THE LINKED DEPOSIT PROGRAM IS MADE TO A BUSINESS THAT IS CERTIFIED AS A MINORITY BUSINESS ENTERPRISE; ~~AND~~

(2) ESTABLISH PROCEDURES FOR NOTIFICATION BY THE CERTIFICATION AGENCY DESIGNATED UNDER TITLE 14, SUBTITLE 3 OF THIS ARTICLE IF A BUSINESS THAT HAS AN OUTSTANDING BALANCE OF A LOAN UNDER THE LINKED DEPOSIT PROGRAM IS NO LONGER CERTIFIED;

(3) RECEIVE ELECTRONIC LOAN APPLICATIONS FROM MINORITY BUSINESS ENTERPRISES;

(4) FORWARD LOAN APPLICATIONS TO LENDERS;

(5) REQUIRE MINORITY BUSINESS ENTERPRISES TO NOTIFY THE DEPARTMENT CONCERNING FINAL LOAN DISPOSITION; AND

(6) REPORT ANNUALLY TO THE GOVERNOR, THE TREASURER, AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON OVERALL PERFORMANCE OF THE LINKED DEPOSIT PROGRAM.