

Annotated Code of Maryland  
(2003 Replacement Volume and 2004 Supplement)

BY adding to

Article 95 – Treasurer

Section 22–O

Annotated Code of Maryland

(2003 Replacement Volume and 2004 Supplement)

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

**Article 95 – Treasurer**

22.

(a) Except as provided in subsection (b) of this section OR § 22–O OF THIS ARTICLE, and subject to § 22F of this article, and notwithstanding any provision of a local law or ordinance, the governing body of each county and municipal corporation, each county board of education, and the governing body of each road, drainage, improvement, construction or soil conservation district or commission in the State, the Upper Potomac River Commission, and any other political subdivision or body politic of the State, or their authorized acknowledged agent, are directed, authorized, and empowered to invest, redeem, sell, exchange and reinvest all unexpended or surplus money in any fund or account of which they have custody or control in obligations or repurchase agreements in accordance with § 6–222 of the State Finance and Procurement Article, or deposit unexpended or surplus money in any federally insured bank in the State of Maryland or in any federally insured savings and loan association in the State of Maryland in interest-bearing time deposit or savings accounts, or in the local government investment pool created in this article. [Deposits] EXCEPT AS PROVIDED IN § 22–O OF THIS ARTICLE, DEPOSITS in banks or in savings and loan associations shall only be made if the bank or savings and loan association has given as security for these deposits any of the types of collateral set forth in § 6–202 of the State Finance and Procurement Article. The interest or income from any such investment or deposit shall become a part of the fund from which the investment or deposit was made and may itself be so invested or deposited. If the fund so invested or deposited constitutes the proceeds of the issue of bonds or other obligations, the principal of or interest on which the issuer is obligated to repay to the holders thereof, the interest or income from the investments may be used to pay the principal or interest by the issuer. Investments or deposits made pursuant to this section may be withdrawn or altered from time to time by the investing or depositing officer or governing body either to meet the requirements for which such funds are held or for reinvestment pursuant to this subsection.

(b) The trustees or other officers in charge of any pension or retirement system or fund of any political subdivision of the State or any agency or department of the political subdivision may invest, redeem, sell, exchange, and reinvest moneys under their custody or control as provided by law by the governing body of the political subdivision and shall comply with fiduciary standards that at least meet the