

thereafter shall be credited on the books of the State Comptroller and expended, upon approval by the Board of Public Works, for the following public purposes: to provide monies for the Savings and Loan Association Capital Stabilization Fund established under Section 1(4) of this Act or for the Maryland Deposit Insurance Fund to be used as may be provided by law or regulation applicable to that Fund.

(4) (a) There is a Savings and Loan Association Capital Stabilization Fund.

(b) The Fund is a special, nonlapsing fund that consists of any monies that may lawfully be paid, transferred, or credited to the Fund, including any payments of dividends on or on redemption of net worth certificates purchased with Fund monies.

(c) The Secretary of Licensing and Regulation shall manage and supervise the Fund, provided that any disbursement from or issuance of a claim on an obligation of the Fund shall be subject to prior approval of the Governor. The Secretary of Licensing and Regulation shall report monthly on the use of the monies in the Fund to the Joint Budget and Audit Committee of the General Assembly.

(d) The State Treasurer shall hold, and the State Comptroller shall account for, the Fund.

(e) Except as otherwise provided by law, the Fund shall be invested and reinvested in the same manner as other State funds. Any investment earnings of the Fund shall be retained to the credit of the Fund.

(5) Monies in the Fund may be applied in the discretion of the Governor to purchase net worth certificates of any Maryland chartered savings and loan association if, in the opinion of the Secretary of Licensing and Regulation, by so doing the savings and loan association will qualify for insurance of its deposits and accounts by the Federal Savings and Loan Insurance Corporation. In anticipation of the issuance of the bonds authorized by this Act, the Board of Public Works may authorize the issuance to any such association of obligations payable from monies credited to the Fund, including proceeds of the sale of the bonds or bond anticipation notes hereby authorized, upon such terms and conditions and for such consideration as the Board in its discretion determines may reasonably be expected to effect the purposes of this Act. Such obligations to an association shall be deemed to be a capital asset of the association for all statutory, regulatory, and accounting purposes.

(6) There is hereby levied and imposed an annual State tax on all assessable property in the State in rate and amount sufficient to pay the principal of and interest on the bonds as and when due and until paid in full, such principal to be discharged within fifteen years of the date of issue of the bonds.