

However, Ch. 202, Acts of 1914, which first enacted former Art. 95, § 21(a), required gubernatorial approval for the collateral of all depositaries and, thus, effectively made the use of all institutions subject to review of the Governor.

In practice, depositaries now are chosen in accordance with Article 21 of the Code and are not approved by the Governor. The Commission to Revise the Annotated Code notes, for consideration by the General Assembly, whether this section should be clarified in light of the Constitution and the Procurement Law.

As to depositaries for bonds and other obligations that the State holds, see Title 2, Subtitle 6 of this article.

Defined term: "Financial institution" § 6-201

6-207. HIGHER EDUCATION LOANS.

BEFORE USING A FINANCIAL INSTITUTION AS A DEPOSITARY, THE TREASURER SHALL CONSIDER THE EXTENT TO WHICH THE FINANCIAL INSTITUTION MAKES HIGHER EDUCATION LOANS UNDER TITLE 18, SUBTITLE 10 OF THE EDUCATION ARTICLE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 95, § 23(c).

The new defined term "financial institution" is substituted for the former references to a "ban[k]", which seemed to be used, in former Art. 95, § 23(c), as a generic term. These substitutions are based on former Art. 95, § 23(a)(1), which read, in part, "banks (including commercial banks, ... trust companies, ... and building and loan associations)".

The word "using" is substituted for the former directive "selecting or continuing", for brevity.

The phrase "makes ... loans" is substituted for the former reference to "participation in the Maryland Higher Education Loan Program", for clarity. The referenced provisions of the Education Article do not create a program but, rather, the Maryland Higher Education Loan Corporation, which makes or guarantees loans.

The former phrase "among other appropriate factors" is deleted as unnecessary in light of § 6-205 of this subtitle.

Defined term: "Financial institution" § 6-201