rehabilitation. The General Assembly finds and declares that it is in the public interest of the citizens of this State to reduce the consumption of energy and to increase the utilization of solar energy by promoting energy conservation projects and solar energy projects. The General Assembly finds, as a consequence thereof, this goal can be assisted by the provision of insurance for loans made by qualified lending institutions for, or bonds or notes issued to finance, the energy conservation and solar energy projects. For the purposes of this section, the terms "energy conservation project" and "solar energy project" have the meanings stated under § [11-303] 2-203 of [Article 41] THIS ARTICLE. In furtherance of such State interest, there is established a Maryland Housing Fund.

[11-701.]

[(b)] 3-202. The Department [of Economic and Community Development] shall manage and supervise the Maryland Housing Fund. The fund shall be deposited with the State Treasurer to be held in such banks as he deems proper and shall be accounted for by the State Comptroller in a special account known as the "Maryland Housing Fund". The fund shall be invested and reinvested in the same manner as other State funds. The funds shall be used to insure mortgages accepted by the Department under the provisions of this [subheading] SUBTITLE, or to insure bonds or notes issued to finance any project that is eligible for insurance under the provisions of this [section] SUBTITLE. The fund shall be managed in a manner which maximizes assistance to local jurisdictions in insuring mortgages under the provisions of this section.

[(c)] 3-203. The Department may insure upon such terms as it may prescribe any mortgage offered or any bonds or notes issued which are eligible for insurance under the provisions of this [section] SUBTITLE. For the purposes of this section, the term "mortgage" includes loans to finance or refinance the purchase of stock or membership or to rehabilitate units in a cooperative ownership housing corporation, and the term "housing" includes any ancillary commercial or other facilities that are related and incidental to the housing and would support the housing. Fees shall be established for this insurance in an amount calculated to cover administrative costs for this program as well as payments made where defaults on mortgages, bonds or notes cause insured losses to the lenders, bondholders or noteholders. For any property acquired by the Department through foreclosure or pursuant to any other payment in settlement for a claim for loss, the Department may make a mortgage loan to assist in the disposition of the property.

[(d)] 3-204. The Department shall promulgate such standards for the eligibility of insurance as are reasonable to provide that the insurance shall aid in the financing of (1) the purchase, construction, ~~or~~ rehabilitation as defined in §