

(2) "FIXED ASSET FINANCING" DOES NOT INCLUDE THE REFINANCING OF AN EXISTING DEBT.

(E) "FUND" MEANS THE MARYLAND ENTERPRISE DEPOSIT INCENTIVE FUND.

(F) "LENDER" MEANS A FINANCIAL INSTITUTION THAT:

(1) IS ELIGIBLE TO MAKE COMMERCIAL LOANS;

(2) IS A PUBLIC DEPOSITORY OF STATE FUNDS; AND

(3) AGREES TO RECEIVE LINKED DEPOSITS UNDER THE PROVISIONS OF THIS SUBTITLE--; AND

(4) IS INSURED BY:

(I) THE FEDERAL DEPOSIT INSURANCE CORPORATION;

OR

(II) THE FEDERAL SAVINGS AND LOAN INSURANCE

CORPORATION.

(G) "LINKED DEPOSIT" MEANS A CERTIFICATE OF DEPOSIT PLACED BY THE DEPARTMENT WITH A LENDER AT 3 PERCENT BELOW THE PREVAILING MARKET RATE AT THE TIME OF THE DEPOSIT.

5-602 13-902.

(A) THERE IS A MARYLAND ENTERPRISE INCENTIVE DEPOSIT FUND WITH THE DEPARTMENT.

(B) (1) THE PURPOSE OF THIS FUND IS TO STIMULATE ECONOMIC AND EMPLOYMENT GROWTH IN RURAL AREAS OF THE STATE THAT HAVE HIGH UNEMPLOYMENT.

(2) THE FUND WILL ASSIST SMALL BUSINESSES IN OBTAINING LOANS AT LOWER THAN MARKET RATES.

(3) THE SMALL BUSINESS MAY USE THE LOAN FOR THE ACQUISITION OF LAND, BUILDINGS, MACHINERY, AND EQUIPMENT.

(4) THE ACQUISITIONS MADE BY THE SMALL BUSINESS SHALL BE USED TO CREATE OR RETAIN EMPLOYMENT OPPORTUNITIES IN THE RURAL AREA.

~~(B)~~ (C) THE FUND IS A NONLAPSING, REVOLVING FUND, USED TO ASSIST ELIGIBLE BUSINESSES IN FIXED ASSET FINANCING THROUGH THE PROVISION OF LINKED DEPOSITS.

~~(e)~~ (D) THE FUND CONSISTS OF: