

(a) The Guarantee Fund shall be used as a nonlapsing revolving fund to guarantee loans for the expansion or development of day care facilities in this State.

(b) The Secretary of the Department may delegate the authority to approve guarantees to any board which exists or may be created within the Department.

[6-204.] 6-104.

(a) All receipts designated for the Guarantee Fund shall be placed in the Guarantee Fund and administered by the Department including:

(1) Premiums and fees for guaranteeing loans;

(2) Income from investments that the State Treasurer, on instruction of the Department makes for the Department under this subtitle;

(3) Proceeds from the sale, disposition, lease, or rental of collateral relating to loan guarantees;

(4) Moneys appropriated by the State to the Guarantee Fund; and

(5) Any other moneys made available to the Guarantee Fund.

(b) The Guarantee Fund shall be used to pay all expenses and disbursements authorized by the Department for administering the Guarantee Fund, and financing the expansion or development of day care facilities in this State, including by way of example:

(1) Guaranty payments required by loan defaults; and

(2) Expenses for administrative, legal, actuarial, technical assistance, and other services.

(c) In guaranteeing loans under this subtitle, consideration shall be given to:

(1) Geographic distribution;

(2) Community need; and

(3) Community income, with priority given to those communities with the lowest median family income.

[6-205.] 6-105.

(a) If, at any time, the amount of money in the Guarantee Fund exceeds the amount that the Department considers necessary currently to meet its expenses and obligations, the excess shall be:

(1) Deposited with the State Treasurer, to the credit of the Fund; and

(2) Invested in the manner provided for by law.

(b) If, at any time, the amount of money in or credited to the Guarantee Fund exceeds the amount that the Department considers necessary to meet its obligations, the excess, on resolution of the Department, shall be paid to the State Treasurer.