

(g) The Department may make direct loans to child care centers whether or not they are located in applicants' homes but a minimum of a direct loan for a child care facility located in a home shall be \$15,000.

(h) The proceeds of the direct loans may be used for renovations, construction, or purchase of real property, fixtures, or equipment related to the child care facility, but not for refinancing existing loans, working capital, supplies, or inventory.

(i) (1) Except as provided in paragraph (2) of this subsection, a direct loan may not exceed 50 percent of the total amount of investment for renovations, construction, or purchase of real property, fixtures, or equipment affixed to the real estate and required to expand or develop the child care facility.

(2) An applicant for a direct loan under this subtitle who is also receiving a loan guaranteed by the Day Care Facilities Loan Guarantee Fund under Subtitle [2] 1 of this title shall be limited to a direct loan of not more than 20 percent of the total amount of investment required for the purposes specified in paragraph (1) of this subsection.

(3) The applicant shall provide the remainder of the total funds required for the purposes specified in paragraph (1) of this subsection.

[6-2A-11.] 6-211.

If an applicant violates any provision of the loan documents or ceases to meet the requirements of this subtitle, on reasonable notice to the applicant, the Department may:

(1) Withhold from the applicant further advances of loan proceeds until the applicant complies with the agreement or requirements; and

(2) Exercise any other remedy for which the loan documents provide.

[6-2A-12.] 6-212.

(a) A person may not knowingly make or cause any false statement or report to be made in any application or in any document furnished to the Department.

(b) A person may not knowingly make or cause any false statement or report to be made for the purpose of influencing the action of the Department on an application for financial assistance or for the purpose of influencing any action of the Department affecting financial assistance whether or not such assistance may have already been extended.

(c) Any person or any aider or abettor, who violates any provision of this subtitle, is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$50,000 or imprisonment in the penitentiary not exceeding 5 years, or both.

[6-2A-13.] 6-213.

The Department shall promulgate such rules as are necessary to carry out the purposes of this subtitle.