

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Environment

9-1605.

(d) Amounts in the Fund may be used only:

(1) To make loans, on the condition that:

(i) The loans are made at or below market interest rates, including interest free loans, at terms not to exceed 20 years;

(ii) Annual principal and interest payments will commence not later than 1 year after completion of any wastewater facility and all loans will be fully amortized not later than 20 years after project completion;

(iii) The borrower will establish a dedicated source of revenue for repayment of loans; and

(iv) The Fund will be credited with all payments of principal and interest on all loans;

(2) To buy or refinance debt obligations of local governments at or below market rates, if such debt obligations were incurred after March 7, 1985[, and with the prior approval of the Administration];

(3) To guarantee, or purchase insurance for, bonds, notes, or other evidences of obligation issued by a local government for the purpose of financing all or a portion of the cost of a wastewater facility, if such action would improve credit market access or reduce interest rates;

(4) As a source of revenue or security for the payment of principal and interest on bonds issued by the Administration if the proceeds of the sale of such bonds will be deposited in the Fund;

(5) To earn interest on Fund accounts;

(6) For the reasonable costs of administering the Fund and conducting activities under Title VI of the Federal Water Pollution Control Act; and

(7) For any other purpose authorized by Title VI of the Federal Water Pollution Control Act.