

Sincerely,
William Donald Schaefer
Governor

House Bill No. 1484

AN ACT concerning

Maryland Housing Fund – Credit Rating

FOR the purpose of requiring the Maryland Housing Fund to have a management consultant perform a study by a certain date; requiring the Fund to provide a report to the Legislative Policy Committee by a certain date; providing for the Legislative Policy Committee, in consultation with the Governor and the Department of Housing and Community Development, to review a report and make certain determinations by a certain date; requiring the Fund to have a certain investment grade credit rating; requiring the Fund to apply for a credit rating by a certain date; requiring the Fund to perform certain duties if the Fund does not have a credit rating by a certain date; and generally relating to a credit rating for the Maryland Housing Fund.

BY adding to

Article 83B – Department of Housing and Community Development
Section 3-206(g) and (h)
Annotated Code of Maryland
(1991 Replacement Volume)

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

Article 83B – Department of Housing and Community Development

3-206.

(G) (1) THE FUND SHALL HAVE AN INDEPENDENT MANAGEMENT CONSULTANT PERFORM A STUDY TO EXAMINE THE MULTI-FAMILY AND SINGLE-FAMILY INSURANCE PROGRAMS OF THE FUND AND REPORT ON:

(I) THE SOUNDNESS OF THE INSURANCE RESERVES;

(II) THE STATUS OF THE OUTSTANDING INSURED LOAN PORTFOLIO;

(III) THE EFFECTIVENESS OF THE INSURANCE UNDERWRITING GUIDELINES AND COMPLIANCE THEREWITH;

(IV) THE ADEQUACY OF THE LEVERAGE RATIOS BEING USED BY THE FUND;

(V) ANY RECOMMENDATION ADJUSTMENTS TO THE INSURANCE PREMIUM SCHEDULES;