

HOUSE BILL 103

M1

5lr1065
CF 5lr1063

By: **Delegate S. Robinson**

Introduced and read first time: January 23, 2015

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Chesapeake Bay Trust – Restrictions on Investments – Repeal**

3 FOR the purpose of repealing certain restrictions on investments of money of the
4 Chesapeake Bay Trust; making stylistic changes; and generally relating to the
5 Chesapeake Bay Trust.

6 BY repealing and reenacting, with amendments,
7 Article – Natural Resources
8 Section 8–1909
9 Annotated Code of Maryland
10 (2012 Replacement Volume and 2014 Supplement)

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

13 **Article – Natural Resources**

14 8–1909.

15 (a) **(1)** All money received by the Trust shall be deposited, as directed by the
16 Trust, in any State or national bank, or federally or State insured savings and loan
17 associations located in the State having a total paid-in capital of at least \$1,000,000.

18 **(2)** The trust department of any State or national bank or savings and loan
19 association may be designated as a depository to receive any securities acquired or owned
20 by the Trust.

21 **(3)** The restriction with respect to paid-in capital may be waived for any
22 qualifying bank or savings and loan association which agrees to pledge securities of the

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 State or of the United States to protect the funds and securities of the Trust in amounts
2 and under arrangements acceptable to the Trust.

3 (b) [(1) Except as provided in paragraph (2) of this subsection, any money of
4 the Trust, in its discretion and unless otherwise provided in any agreement or covenant
5 between the Trust and the holders of any of its obligations limiting or restricting classes of
6 investments, may be invested in bonds or other obligations of the United States, the State,
7 the political subdivisions or units of the State, direct or indirect federal agencies, corporate
8 bonds with a rating of BAA3/BBB, or mortgage backed and asset backed securities with a
9 rating of AAA.

10 (2) The overall investment portfolio of the Trust must have a rating of at
11 least AA.

12 (c) The Trust shall make provision for a system of financial accounting, controls,
13 audits, and reports.

14 [(d)] (C) The books, records, and accounts of the Trust are subject to audit by the
15 State.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 October 1, 2015.