
By: **Delegate Exum**

Introduced and read first time: February 13, 1998

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development - Maryland Community Development Financial**
3 **Institutions Investment Fund**

4 FOR the purpose of establishing the Maryland Community Development Financial
5 Institutions Investment Fund; establishing the governing board of the Fund and
6 specifying its composition, duties, and powers; establishing the investment
7 committee of the Fund and specifying its composition, duties, and powers;
8 establishing the administrator of the Fund and specifying the administrator's
9 election, duties, and powers; specifying the application process and minimum
10 requirements for eligibility for assistance from the Fund; establishing certain
11 considerations for the selection of applicants to the Fund; providing for a certain
12 assistance agreement between the Fund and eligible community development
13 financial institutions; providing for certain forms of assistance and limitations
14 on the assistance from the Fund; authorizing the Fund to borrow money and
15 issue bonds under certain circumstances; specifying certain uses of financial
16 assistance from the Fund by community development financial institutions;
17 authorizing the Fund to provide capitalization assistance and technical
18 assistance under certain circumstances; imposing certain reporting
19 requirements on certain community development financial institutions and the
20 Fund under certain circumstances; requiring the Fund to develop and
21 implement a certain database; authorizing the Fund to adopt certain
22 regulations; making the provisions of this Act severable; stating certain findings
23 and determinations of the General Assembly; defining certain terms; specifying
24 the terms of certain initial members of the governing board and the investment
25 committee of the Fund; and generally relating to the Maryland Community
26 Development Financial Institutions Investment Fund.

27 BY adding to

28 Article 41 - Governor - Executive and Administrative Departments
29 Section 13-201 through 13-220, inclusive, to be under the new subtitle "Subtitle
30 2. Maryland Community Development Financial Institutions Investment
31 Fund"
32 Annotated Code of Maryland
33 (1997 Replacement Volume and 1997 Supplement)

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

3 **Article 41 - Governor - Executive and Administrative Departments**

4 SUBTITLE 2. MARYLAND COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS
5 INVESTMENT FUND.

6 13-201.

7 (A) THE GENERAL ASSEMBLY FINDS THAT CREDIT, BANKING SERVICES, AND
8 INVESTMENT CAPITAL ARE VITAL TO CREATE AND RETAIN JOBS, TO START-UP AND
9 EXPAND BUSINESSES, TO DEVELOP AFFORDABLE HOUSING, AND TO REVITALIZE OUR
10 RURAL COMMUNITIES AND URBAN NEIGHBORHOODS. THE LEGISLATURE FURTHER
11 FINDS THAT MANY AREAS WITH THE GREATEST POTENTIAL FOR GROWTH AND THE
12 GREATEST NEED FOR JOBS AND INVESTMENT EITHER HISTORICALLY HAVE BEEN OR
13 CURRENTLY ARE UNDERSERVED BY TRADITIONAL BANKING AND LENDING
14 INSTITUTIONS. THE LEGISLATURE THEREFORE FINDS AND DECLARES THAT THESE
15 COMMUNITIES REQUIRE AN INNOVATIVE SOLUTION, ONE THAT COMBINES THE
16 LEADERSHIP AND RESOURCES OF THE STATE IN PARTNERSHIP WITH PRIVATE
17 INVESTMENT AND INCENTIVES IN A SOLUTION THAT USES THE MARKET AS A
18 MECHANISM TO CHANNEL ENTREPRENEURIAL EFFORTS TO SEEK PROFITS IN THESE
19 NEEDY COMMUNITIES.

20 (B) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT
21 COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFIS) ARE AN IDEAL
22 MARKET-MECHANISM AND INTERMEDIARY BETWEEN THE STATE, PRIVATE
23 INVESTORS, AND ENTREPRENEURS. THESE CDFIS SERVE TO EDUCATE NEW
24 ENTREPRENEURS ON HOW TO BORROW AND TO MANAGE LOANS, MAKING THEM
25 LOWER RISK APPLICANTS FOR TRADITIONAL BANKS IN THE FUTURE. THESE CDFIS
26 LOWER RISK AND BOLSTER THE RETURN TO OUR COMMUNITIES WITH
27 COORDINATED LENDING SO THAT NEW ENTREPRENEURIAL EFFORTS IN OUR
28 COMMUNITIES BUILD UPON ONE ANOTHER RATHER THAN CONFLICT WITH AND
29 PREY UPON EACH OTHER. THESE CDFIS PROVIDE CRUCIAL, BASIC BANKING
30 SERVICES THAT ALL PEOPLE NEED TO BE A PART OF OUR ADVANCING FINANCIAL
31 MARKETPLACE.

32 (C) THE GENERAL ASSEMBLY FURTHER FINDS THAT CDFIS CURRENTLY LACK
33 THE SUPPORT STRUCTURE THAT STATE LAW PROVIDES FOR TRADITIONAL BANKING
34 SERVICES, BUT WOULD LOSE THEIR FLEXIBILITY TO SERVE COMMUNITIES' DIVERSE
35 NEEDS IF REGULATED LIKE TRADITIONAL BANKS. THEREFORE, THE LEGISLATURE
36 FINDS AND DECLARES THAT THE CREATION OF A STATEWIDE FUND WILL
37 STRENGTHEN THESE CDFIS, WHILE PROVIDING ACCOUNTABILITY AND RETURN ON
38 INVESTMENT MARYLAND TAXPAYERS REQUIRE AND THE LEADERSHIP CDFIS NEED
39 TO SERVE OUR COMMUNITIES. THE CREATION OF THE MARYLAND COMMUNITY
40 DEVELOPMENT FINANCIAL INSTITUTIONS INVESTMENT FUND ALLOWS THE STATE
41 TO INVEST IN ITS NEEDY COMMUNITIES THROUGH A COMPETITIVE-MARKET
42 VEHICLE THAT SEEKS OUT THE GREATEST COMMUNITY RETURN FOR EACH DOLLAR
43 INVESTED.

1 13-202.

2 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
3 INDICATED.

4 (B) "ADMINISTRATOR" MEANS THE ADMINISTRATOR OF THE FUND
5 APPOINTED UNDER § 13-206 OF THIS SUBTITLE.

6 (C) "APPROPRIATE FEDERAL BANKING AGENCY" HAS THE SAME MEANING AS
7 IN 12 U.S.C. § 1813, AND ALSO INCLUDES THE NATIONAL CREDIT UNION
8 ADMINISTRATION BOARD WITH RESPECT TO INSURED CREDIT UNIONS.

9 (D) "BOARD" OR "GOVERNING BOARD" MEANS THE COMMUNITY
10 DEVELOPMENT GOVERNING BOARD ESTABLISHED UNDER § 13-204 OF THIS
11 SUBTITLE.

12 (E) "COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION" OR "CDFI" MEANS
13 A PERSON THAT:

14 (1) HAS THE PRIMARY MISSION OF PROMOTING COMMUNITY
15 DEVELOPMENT;

16 (2) IS PRINCIPALLY A FINANCING ENTITY WITH ITS PREDOMINANT
17 ACTIVITY OF PROVIDING LOANS, INVESTMENTS, OR BANKING SERVICES AND
18 DEVELOPMENT SERVICES;

19 (3) MAINTAINS, THROUGH REPRESENTATION ON ITS GOVERNING
20 BOARD OR OTHERWISE, ACCOUNTABILITY TO RESIDENTS OF THE COMMUNITIES IT
21 SERVES; AND

22 (4) IS NOT AN AGENCY OR INSTRUMENTALITY OF THE UNITED STATES,
23 OR OF ANY STATE OR POLITICAL SUBDIVISION OF A STATE.

24 (F) (1) "DEVELOPMENT SERVICES" MEANS ACTIVITIES THAT PROMOTE
25 COMMUNITY DEVELOPMENT AND ARE INTEGRAL TO LENDING OR INVESTMENT
26 ACTIVITIES.

27 (2) "DEVELOPMENT SERVICES" INCLUDES:

28 (I) BUSINESS PLANNING;

29 (II) FINANCIAL AND CREDIT COUNSELING; AND

30 (III) MARKETING AND MANAGEMENT ASSISTANCE.

31 (G) "FUND" OR "INVESTMENT FUND" MEANS THE MARYLAND COMMUNITY
32 DEVELOPMENT FINANCIAL INSTITUTIONS INVESTMENT FUND ESTABLISHED UNDER
33 § 13-203 OF THIS SUBTITLE.

1 (H) "INSURED COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION" MEANS
2 ANY COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION THAT IS AN INSURED
3 DEPOSITORY INSTITUTION OR AN INSURED CREDIT UNION.

4 (I) "INSURED CREDIT UNION" HAS THE SAME MEANING AS IN U.S.C. § 1752.

5 (J) "INSURED DEPOSITORY INSTITUTION" HAS THE SAME MEANING AS IN 12
6 U.S.C. § 1813.

7 (K) "LOW-INCOME" MEANS HAVING AN INCOME, ADJUSTED FOR FAMILY SIZE,
8 OF NOT MORE THAN:

9 (1) FOR METROPOLITAN AREAS, 80% OF THE METROPOLITAN
10 STATISTICAL AREA MEDIAN INCOME; OR

11 (2) FOR NONMETROPOLITAN AREAS, THE GREATER OF:

12 (I) 80% OF THE AREA MEDIAN INCOME; OR

13 (II) 80% OF THE STATEWIDE NONMETROPOLITAN STATISTICAL
14 AREA MEDIAN INCOME.

15 (L) "TRAINING PROGRAM" MEANS THE TRAINING PROGRAM CONTRACTED OUT
16 BY THE INVESTMENT FUND UNDER § 13-214 OF THIS SUBTITLE.

17 13-203.

18 (A) THERE IS ESTABLISHED THE MARYLAND COMMUNITY DEVELOPMENT
19 FINANCIAL INSTITUTIONS INVESTMENT FUND, WHICH SHALL BE A PUBLIC BENEFIT
20 CORPORATION.

21 (B) THE FUND SHALL CREATE AND ESTABLISH A SPECIAL FUND, AND IS
22 AUTHORIZED TO RECEIVE INTO THE FUND:

23 (1) ANY MONEYS APPROPRIATED OR AVAILABLE FOR THE PURPOSES OF
24 THE FUND; AND

25 (2) ANY PROCEEDS OF LOANS, LOAN REPAYMENTS, SERVICE FEES, AND
26 OTHER REVENUES GENERATED BY THE FUND.

27 (C) THE FUND SHALL EMPLOY THESE MONEYS TO EFFICIENTLY STAFF AND
28 ADMINISTER ITS ACTIVITIES AND, IN ACCORDANCE WITH THIS SUBTITLE, TO
29 PROVIDE FINANCIAL AND TECHNICAL ASSISTANCE TO CDFIS AND ORGANIZATIONS
30 THAT SUPPORT CDFIS.

31 13-204.

32 (A) THE MANAGEMENT OF THE FUND SHALL BE BY A GOVERNING BOARD. THE
33 GOVERNING BOARD SHALL CONSIST OF 15 BOARD MEMBERS. THIRTEEN OF THESE
34 MEMBERS SHALL HAVE VOTING POWER AND SHALL BE APPOINTED PURSUANT TO
35 SUBSECTIONS (C) AND (D) OF THIS SECTION. THE REMAINING TWO MEMBERS SHALL

1 BE EX OFFICIO MEMBERS WITHOUT VOTING POWERS AND SHALL BE DESIGNATED
2 PURSUANT TO SUBSECTION (E) OF THIS SECTION.

3 (B) (1) THE PURPOSE OF THE BOARD SHALL BE TO DETERMINE THE
4 POLICIES AND GOALS OF THE INVESTMENT FUND PURSUANT TO § 13-208 OF THIS
5 SUBTITLE.

6 (2) THE BOARD SHALL HAVE THE POWER TO SELECT THE MEMBERS OF
7 THE INVESTMENT COMMITTEE UNDER § 13-205 OF THIS SUBTITLE AND THE FUND
8 ADMINISTRATOR UNDER § 13-206 OF THIS SUBTITLE.

9 (C) (1) THE 13 VOTING MEMBERS OF THE BOARD SHALL BE APPOINTED BY
10 THE GOVERNOR WITHIN 90 DAYS OF OCTOBER 1, 1998.

11 (2) THE TERM OF A MEMBER IS 3 YEARS.

12 (3) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY THE
13 TERMS PROVIDED FOR MEMBERS OF THE BOARD ON OCTOBER 1, 1998.

14 (4) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A
15 SUCCESSOR IS APPOINTED AND QUALIFIED.

16 (5) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES
17 ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND
18 QUALIFIES.

19 (D) TWO-THIRDS OF THE BOARD'S MEMBERS SHALL BE COMPOSED OF CDFI
20 PRACTITIONERS THAT ACCURATELY REFLECT THE MIX OF CDFIS IN THE STATE. THE
21 BOARD SHALL ALSO REFLECT THE DIVERSITY IN INSTITUTIONAL SIZE, GEOGRAPHIC
22 LOCATION, AND COMMUNITIES SERVED.

23 (E) THE COMMISSIONER OF FINANCIAL REGULATION IN THE DEPARTMENT
24 OF LABOR, LICENSING, AND REGULATION AND THE SECRETARY OF BUSINESS AND
25 ECONOMIC DEVELOPMENT SHALL BE EX OFFICIO MEMBERS OF THE BOARD
26 WITHOUT VOTING POWERS.

27 13-205.

28 (A) (1) THERE SHALL BE AN INVESTMENT COMMITTEE CONSISTING OF FIVE
29 COMMITTEE MEMBERS. FOUR OF THESE COMMITTEE MEMBERS SHALL BE ELECTED
30 PURSUANT TO PARAGRAPH (C) OF THIS SUBSECTION. THE REMAINING COMMITTEE
31 MEMBER WILL BE THE ADMINISTRATOR OF THE INVESTMENT FUND, ELECTED
32 PURSUANT TO § 13-206 OF THIS SUBTITLE.

33 (2) THE COMMITTEE SHALL MEET AT LEAST SEMIANNUALLY AND AT
34 ANY OTHER TIMES THE ADMINISTRATOR CONVENES A MEETING, AND SHALL BE
35 REIMBURSED FOR ALL REASONABLE TRAVEL AND RELATED EXPENSES.

1 (B) (1) THE PURPOSES OF THE COMMITTEE SHALL BE TO APPROVE
2 APPLICATIONS AND SELECTIONS FOR ASSISTANCE PURSUANT TO THE POLICIES OF
3 THE GOVERNING BOARD UNDER §§ 13-207 AND 13-208 OF THIS SUBTITLE.

4 (2) THE COMMITTEE SHALL HAVE THE POWER TO COMMENCE,
5 APPROVE, OR DENY SANCTIONS AGAINST A CDFI PURSUANT TO § 13-209 OF THIS
6 SUBTITLE.

7 (C) (1) THE GOVERNING BOARD SHALL ELECT THE INVESTMENT
8 COMMITTEE MEMBERS. OTHER THAN THE ADMINISTRATOR, NONE OF THE
9 COMMITTEE MEMBERS SHALL BE A MEMBER OF THE GOVERNING BOARD OR A
10 CURRENT OFFICIAL OF A COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.

11 (2) ALL COMMITTEE MEMBERS SHALL EACH HAVE AT LEAST 3 YEARS
12 EXPERIENCE REVIEWING LOAN APPLICATIONS OR 3 YEARS EXPERIENCE
13 PERFORMING FINANCIAL AUDITS AND REVIEWS.

14 (3) (I) THE TERM OF A MEMBER IS 2 YEARS.

15 (II) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY
16 THE TERMS PROVIDED FOR MEMBERS OF THE BOARD ON OCTOBER 1, 1998.

17 13-206.

18 (A) (1) THE PURPOSE OF THE ADMINISTRATOR SHALL BE TO ORGANIZE AND
19 COORDINATE THE ACTIVITIES OF THE INVESTMENT FUND.

20 (2) THE ADMINISTRATOR SHALL HAVE THE POWER TO PRESIDE OVER
21 ALL MEETINGS OF BOTH THE GOVERNING BOARD AND THE INVESTMENT
22 COMMITTEE, AND MAY CONVENE NONSCHEDULED MEETINGS OF THE GOVERNING
23 BOARD OR THE INVESTMENT COMMITTEE WHEN NEEDED. THE ADMINISTRATOR MAY
24 ORGANIZE AD HOC STRATEGIC PLANNING AND COORDINATION PANELS WITH
25 REGIONAL AND LOCAL OFFICIALS AND CIVIC LEADERS TO HARMONIZE COMMUNITY
26 DEVELOPMENT EFFORTS.

27 (B) (1) THE GOVERNING BOARD SHALL ELECT ONE OF THE BOARD
28 MEMBERS TO SERVE AS THE ADMINISTRATOR OF THE FUND FOR A 3-YEAR TERM.
29 THE FIRST ADMINISTRATOR OF THE BOARD SHALL BE FROM THE GOVERNOR'S FIRST
30 GROUP OF APPOINTMENTS.

31 (2) THE ADMINISTRATOR SHALL HAVE AT LEAST 5 YEARS' EXPERIENCE
32 AS AN OFFICIAL WHO OVERSEES THE DIVISION OF AN ORGANIZATION THAT REVIEWS
33 LOAN APPLICATIONS, PERFORMS FINANCIAL AUDITS AND REVIEWS, OR PROVIDES
34 DEVELOPMENTAL SERVICES.

35 13-207.

36 (A) THE INVESTMENT FUND SHALL ESTABLISH THE FORM AND PROCEDURES
37 FOR APPLYING FOR ASSISTANCE FROM THE FUND.

1 (B) THE FUND SHALL REQUIRE THAT THE APPLICANT SATISFY THE
2 DEFINITION OF A COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION PURSUANT
3 TO § 13-202 OF THIS SUBTITLE, AND EITHER CURRENTLY DOES OR WILL:

4 (1) MEET THE ELIGIBILITY QUALIFICATIONS UNDER THE FEDERAL CDFI
5 DESIGNATION PURSUANT TO 12 U.S.C. § 4701;

6 (2) QUALIFY UNDER THE NATIONAL CREDIT UNION ADMINISTRATION
7 DEFINITION OF A LOW-INCOME CREDIT UNION PURSUANT TO 12 U.S.C. § 1754;

8 (3) DEMONSTRATE WITH WHATEVER PROPOSALS, REPORTS, OR
9 DEMOGRAPHIC STUDIES THE GOVERNING BOARD FINDS NECESSARY THAT THERE IS
10 THE NEED FOR CAPITAL OR FINANCIAL SERVICES OF EITHER A LOW-INCOME
11 COMMUNITY OR A COMMUNITY HISTORICALLY LACKING ACCESS TO CAPITAL OR
12 FINANCIAL SERVICES, AND THAT THE APPLICANT HAS A PLAN TO MEET THAT NEED
13 AND EVIDENCE OF THE CAPACITY AND RESOURCES OF THE INSTITUTION TO
14 IMPLEMENT THAT PLAN; OR

15 (4) DEMONSTRATE THAT IT IS A MARYLAND CDFI WITH ITS PRIMARY
16 ACTIVITY AND MISSION SERVING COMMUNITIES IN THE STATE.

17 (C) THE GOVERNING BOARD MAY REQUIRE THE APPLICANT TO PROVIDE ANY
18 INFORMATION REGARDING THE NEED OF THE COMMUNITY FOR CREDIT OR
19 FINANCIAL SERVICES, THE NATURE OF THE INSTITUTION'S ACTIVITIES AS A
20 FINANCING ENTITY, AND ITS PLAN FOR ADDRESSING THE IDENTIFIED NEED.

21 (D) THE REQUIREMENTS OF THIS SECTION MAY NOT BE SO BURDENSOME TO
22 THOSE INSTITUTIONS THAT SATISFY THE DEFINITION OF A CDFI IN § 13-202 OF THIS
23 SUBTITLE, BUT CANNOT SATISFY THE ADDITIONAL REQUIREMENTS OF THIS
24 SECTION DUE TO THE UNREASONABLE EXPENSE OF PROVIDING SUCH
25 INFORMATION.

26 13-208.

27 (A) THE INVESTMENT COMMITTEE OF THE FUND SHALL HAVE SOLE
28 DISCRETION OVER DETERMINING WHETHER AN APPLICANT WILL OR WILL NOT
29 RECEIVE ASSISTANCE PURSUANT TO THIS SUBTITLE.

30 (B) THE GOVERNING BOARD OF THE FUND SHALL DETERMINE OVERALL
31 INVESTMENT POLICIES AND PRIORITIES OF THE FUND. THE GOVERNING BOARD
32 WILL SET SUCH PRIORITIES AS GOALS IN THE SELECTION PROCESS.

33 (C) THE INVESTMENT COMMITTEE SHALL CONSIDER THE FOLLOWING ISSUES
34 WHEN SELECTING APPLICANTS:

35 (1) THE GOALS DETERMINED BY THE GOVERNING BOARD PURSUANT TO
36 SUBSECTION (B) OF THIS SECTION;

37 (2) THE IMPACT THAT THE FUND'S INVESTMENTS WILL HAVE ON THE
38 CDFI'S ABILITY TO SERVE ITS MARKET;

1 (3) THE EXTENT OF NEED FOR CREDIT, INVESTMENT, OR FINANCIAL
2 SERVICES IN THE COMMUNITY;

3 (4) THE EXPERIENCE AND BACKGROUND OF THE APPLICANT'S BOARD
4 OF DIRECTORS AND MANAGEMENT TEAM;

5 (5) THE ABILITY OF THE APPLICANT TO LEVERAGE PRIVATE OR
6 COMMUNITY INVESTMENTS; AND

7 (6) THE EXTENT AND QUALITY OF COORDINATION EFFORTS THE
8 APPLICANT WILL MAKE WITH COMMUNITY ORGANIZATIONS AND FINANCIAL
9 INSTITUTIONS SERVING THAT COMMUNITY.

10 (D) THE INVESTMENT FUND SHALL CONSIDER BOTH THE CDFI'S RECORD OF
11 SUCCESS IN MEETING THE PERFORMANCE GOALS OF PRIOR FINANCIAL ASSISTANCE
12 AND THE CURRENT FINANCIAL CONDITION OF THE APPLICANT.

13 13-209.

14 (A) BEFORE PROVIDING ANY ASSISTANCE UNDER THIS SUBTITLE, THE
15 INVESTMENT FUND AND EACH COMMUNITY DEVELOPMENT FINANCIAL
16 INSTITUTION TO BE ASSISTED SHALL ENTER INTO AN AGREEMENT THAT REQUIRES
17 THE INSTITUTION TO COMPLY WITH PERFORMANCE GOALS AND TO ABIDE BY OTHER
18 TERMS AND CONDITIONS PERTINENT TO ASSISTANCE RECEIVED UNDER THIS
19 SUBTITLE. THE FORMAT AND TERMINOLOGY OF THE ASSISTANCE AGREEMENTS
20 WILL BE SET BY THE GOVERNING BOARD.

21 (B) PERFORMANCE GOALS SHALL BE NEGOTIATED BETWEEN THE
22 INVESTMENT COMMITTEE AND EACH COMMUNITY DEVELOPMENT FINANCIAL
23 INSTITUTION RECEIVING ASSISTANCE BASED UPON THE APPLICATION SUBMITTED
24 PURSUANT TO §§ 13-207 AND 13-208 OF THIS SUBTITLE. SUCH GOALS MAY BE
25 MODIFIED WITH THE CONSENT OF THE PARTIES.

26 (C) THE AGREEMENT SHALL PROVIDE THAT, IN THE EVENT OF FRAUD,
27 MISMANAGEMENT, NONCOMPLIANCE WITH THIS SUBTITLE, OR NONCOMPLIANCE
28 WITH THE TERMS OF THE AGREEMENT, THE INVESTMENT COMMITTEE, IN ITS
29 DISCRETION, MAY:

30 (1) REQUIRE CHANGES TO THE PERFORMANCE GOALS IMPOSED
31 PURSUANT TO SUBSECTION (B) OF THIS SECTION;

32 (2) REQUIRE CHANGES TO ANY PLAN SUBMITTED PURSUANT TO §
33 13-207(C) OF THIS SUBTITLE;

34 (3) REVOKE APPROVAL OF THE APPLICATION;

35 (4) REDUCE OR TERMINATE ASSISTANCE;

36 (5) REQUIRE REPAYMENT OF ASSISTANCE;

1 (6) BAR AN APPLICANT FROM REAPPLYING FOR ASSISTANCE FROM THE
2 FUND; OR

3 (7) TAKE SUCH OTHER ACTIONS AS THE FUND DEEMS APPROPRIATE.

4 13-210.

5 (A) IN GENERAL, THE INVESTMENT FUND MAY PROVIDE:

6 (1) FINANCIAL ASSISTANCE THROUGH EQUITY INVESTMENTS,
7 DEPOSITS, CREDIT UNION SHARES, LOANS, OPERATING GRANTS, CAPITAL GRANTS,
8 SECONDARY CAPITAL THROUGH SUBORDINATED DEBT, OR REVOLVING LOAN FUNDS;
9 OR

10 (2) TECHNICAL ASSISTANCE AND TRAINING:

11 (I) THROUGH GRANTS; OR

12 (II) BY CONTRACTING WITH ORGANIZATIONS THAT POSSESS
13 EXPERTISE IN COMMUNITY DEVELOPMENT FINANCE, WITHOUT REGARD TO
14 WHETHER THE ORGANIZATIONS RECEIVE OR ARE ELIGIBLE TO RECEIVE ASSISTANCE
15 UNDER THIS SUBTITLE.

16 (B) (1) THE INVESTMENT FUND MAY NOT OWN MORE THAN 50% OF THE
17 EQUITY OF A COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION AND MAY NOT
18 CONTROL THE OPERATIONS OF SUCH INSTITUTION. THE INVESTMENT FUND MAY
19 HOLD ONLY TRANSFERABLE, NONVOTING EQUITY INVESTMENTS IN THE
20 INSTITUTION. THE EQUITY INVESTMENTS MAY PROVIDE FOR CONVERTIBILITY TO
21 VOTING STOCK UPON TRANSFER BY THE INVESTMENT FUND.

22 (2) OPERATING GRANTS MAY NOT EXCEED 20 PERCENT OF THE TOTAL
23 POOL OF INVESTMENT.

24 (3) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE
25 INVESTMENT FUND MAY NOT BE DEEMED TO CONTROL A COMMUNITY
26 DEVELOPMENT FINANCIAL INSTITUTION BY REASON OF ANY ASSISTANCE PROVIDED
27 UNDER THIS SUBTITLE FOR THE PURPOSE OF ANY OTHER APPLICABLE LAW TO THE
28 EXTENT THAT THE FUND COMPLIES WITH PARAGRAPH (1) OF THIS SUBSECTION.
29 NOTHING IN THIS PARAGRAPH SHALL AFFECT THE APPLICATION OF ANY FEDERAL,
30 STATE, OR POLITICAL SUBDIVISION TAX LAW.

31 (4) DIRECT LOAN OBLIGATIONS MAY BE INCURRED BY THE
32 INVESTMENT FUND ONLY TO THE EXTENT THAT FUND MONEYS COVER THEIR COSTS.

33 (5) THE FUND SHALL PLACE A LIMIT ON ITS ASSISTANCE TO ANY ONE
34 CDFI SO AS NOT TO EXCEED THE GREATER OF 10 PERCENT OF THE TOTAL
35 INVESTMENT POOL OR \$500,000.

36 (C) THE INVESTMENT FUND MAY, AT ANY TIME, SELL ITS EQUITY
37 INVESTMENTS AND LOANS, BUT THE FUND SHALL RETAIN THE POWER TO ENFORCE

1 LIMITATIONS ON ASSISTANCE ENTERED INTO IN ACCORDANCE WITH THE
2 REQUIREMENTS OF THIS SUBTITLE UNTIL THE PERFORMANCE GOALS OR
3 AGREEMENTS RELATED TO THE INVESTMENT OR LOAN HAVE BEEN MET.

4 (D) DEPOSITS MADE PURSUANT TO THIS SECTION IN INSURED COMMUNITY
5 DEVELOPMENT FINANCIAL INSTITUTIONS MAY NOT BE SUBJECT TO ANY
6 REQUIREMENT FOR COLLATERAL OR SECURITY.

7 (E) THE GOVERNING BOARD SHALL SET THE APPROPRIATE BELOW-MARKET
8 RATES AND TERMS FOR FINANCIAL ASSISTANCE EXTENDED TO PARTICIPATING
9 CDFIS.

10 13-211.

11 THE INVESTMENT FUND SHALL HAVE THE AUTHORITY TO BORROW MONEY
12 AND ISSUE BONDS TO PAY FOR THE COSTS OF INVESTMENTS FOR WHICH SUCH
13 BONDS HAVE BEEN ISSUED. WHEN REFUNDING, RENEWING, OR PAYING BONDS
14 SERVES THE INTERESTS OF THE INVESTMENT FUND, THE FUND SHALL HAVE THE
15 AUTHORITY TO REFUND, RENEW, OR PAY SUCH BONDS, AND FOR THEIR INTEREST,
16 BY ISSUING NEW BONDS. THE GOVERNING BOARD SHALL PROPOSE TO THE
17 INVESTMENT COMMITTEE FROM WHAT INVESTMENTS ARE APPROPRIATE FOR THE
18 FUND TO BORROW MONEY OR ISSUE BONDS FOR FINANCING OR EXTENDING
19 GUARANTEES. THE INVESTMENT COMMITTEE SHALL REVIEW, DETERMINE
20 APPROPRIATE ACTION, AND EXECUTE ANY DECISIONS UNDER THIS SECTION.

21 13-212.

22 FINANCIAL ASSISTANCE MADE AVAILABLE UNDER THIS SUBTITLE MAY BE
23 USED BY ELIGIBLE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FOR THE
24 PURPOSES OF ESTABLISHING OR SUPPORTING:

25 (1) COMMERCIAL FACILITIES THAT PROMOTE REVITALIZATION,
26 COMMUNITY STABILITY, OR JOB CREATION OR RETENTION;

27 (2) BUSINESSES THAT:

28 (I) PROVIDE JOBS FOR LOW-INCOME PEOPLE OR ARE OWNED BY
29 LOW-INCOME PEOPLE;

30 (II) ENHANCE THE AVAILABILITY OF PRODUCTS AND SERVICES TO
31 LOW-INCOME PEOPLE; OR

32 (III) HAVE ASSETS WITH A TOTAL MARKET VALUE LESS THAN
33 \$25,000 AND EMPLOY FIVE OR FEWER INDIVIDUALS;

34 (3) COMMUNITY-BASED FACILITIES, INCLUDING, BUT NOT LIMITED TO,
35 CHILD CARE, HEALTH CARE, MENTAL HEALTH FACILITIES, DRUG REHABILITATION,
36 JOB TRAINING, AND TECHNOLOGY CENTERS;

37 (4) THE PROVISION OF BASIC FINANCIAL SERVICES;

1 (5) HOUSING THAT IS PRINCIPALLY AFFORDABLE TO LOW-INCOME
2 INDIVIDUALS, EXCEPT THAT ASSISTANCE USED TO FACILITATE HOME OWNERSHIP:

3 (I) SHALL ONLY SERVE LOW-INCOME PEOPLE; AND

4 (II) MAY NOT DUPLICATE ASSISTANCE PROVIDED BY OTHER
5 LENDERS IN THE AREA OR COMPLEMENT THE SERVICES AND LENDING PRODUCTS
6 PROVIDED BY OTHER LENDERS IN THE AREA; OR

7 (6) OTHER BUSINESSES AND ACTIVITIES DEEMED APPROPRIATE BY THE
8 INVESTMENT FUND.

9 13-213.

10 (A) THE INVESTMENT FUND MAY PROVIDE ASSISTANCE FOR THE PURPOSE OF
11 PROVIDING CAPITAL TO ORGANIZATIONS TO PURCHASE LOANS OR OTHERWISE
12 ENHANCE THE LIQUIDITY OF COMMUNITY DEVELOPMENT FINANCIAL
13 INSTITUTIONS, IF ANY ASSISTANCE RECEIVED IS MATCHED WITH FUNDS:

14 (1) FROM SOURCES INCLUDING, BUT NOT LIMITED TO, PUBLIC PENSION
15 FUNDS, STATE EMPLOYEE FUNDS, PRIVATE FUNDS, INSURANCE OR UTILITY
16 COMPANY BACKING, AND PRIVATE BANKS AND OTHER FINANCIAL INSTITUTIONS;
17 AND

18 (2) ON THE BASIS OF NOT LESS THAN ONE DOLLAR FOR EACH DOLLAR
19 PROVIDED BY THE INVESTMENT FUND.

20 (B) AN ORGANIZATION THAT RECEIVES ASSISTANCE UNDER THIS SECTION
21 MAY NOT RECEIVE OTHER FINANCIAL ASSISTANCE UNDER THIS SUBTITLE.

22 (C) THE SELECTION OF ORGANIZATIONS TO RECEIVE ASSISTANCE UNDER
23 THIS SECTION SHALL BE AT THE DISCRETION OF THE INVESTMENT COMMITTEE AND
24 IN ACCORDANCE WITH CRITERIA ESTABLISHED BY THE GOVERNING BOARD. IN
25 ESTABLISHING SUCH CRITERIA, THE GOVERNING BOARD SHALL TAKE INTO
26 ACCOUNT THE CRITERIA CONTAINED IN § 13-208 OF THIS SUBTITLE AS
27 APPROPRIATE.

28 (D) THE INVESTMENT FUND MAY EMPLOY NO MORE THAN 10% OF THE FUND'S
29 TOTAL FINANCIAL ASSISTANCE AVAILABLE IN ANY FISCAL YEAR UNDER
30 SUBSECTION (A) OF THIS SECTION. ASSISTANCE MAY BE PROVIDED IN A LUMP SUM
31 OR OVER A PERIOD OF TIME, AS DETERMINED BY THE FUND.

32 (E) THE LIABILITY OF THE INVESTMENT FUND ARISING OUT OF THE
33 PROVISION OF ASSISTANCE TO ANY ORGANIZATION IN ACCORDANCE WITH THIS
34 SECTION SHALL BE LIMITED TO THE AMOUNT OF SUCH ASSISTANCE. THE
35 INVESTMENT FUND SHALL BE EXEMPT FROM ANY ASSESSMENTS AND ANY OTHER
36 LIABILITIES THAT MAY BE IMPOSED ON CONTROLLING OR PRINCIPAL
37 SHAREHOLDERS BY ANY LAW OF THIS STATE OR ITS POLITICAL SUBDIVISIONS.
38 NOTHING IN THIS SUBSECTION SHALL AFFECT THE APPLICATION OF FEDERAL,
39 MARYLAND, OR MARYLAND'S POLITICAL SUBDIVISIONS' TAX LAW.

1 13-214.

2 (A) TECHNICAL ASSISTANCE MAY BE USED FOR ACTIVITIES TO ENHANCE THE
3 CAPACITY OF A COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION, SUCH AS BY
4 TRAINING MANAGEMENT AND OTHER PERSONNEL OR IMPROVING DEVELOPMENT
5 PROGRAMS, INVESTMENT, OR LOAN PRODUCTS.

6 (B) THE INVESTMENT FUND MAY PROVIDE TECHNICAL ASSISTANCE,
7 REGARDLESS OF WHETHER OR NOT THE RECIPIENT ALSO RECEIVES FINANCIAL
8 ASSISTANCE UNDER SUBSECTION (A) OF THIS SECTION.

9 (C) (1) INVESTMENT FUND MONEYS MAY BE USED FOR A TRAINING
10 PROGRAM TO INCREASE THE CAPACITY AND EXPERTISE OF COMMUNITY
11 DEVELOPMENT FINANCIAL INSTITUTIONS AND OTHER MEMBERS OF THE FINANCIAL
12 SERVICES INDUSTRY TO UNDERTAKE COMMUNITY DEVELOPMENT FINANCE
13 ACTIVITIES.

14 (2) ANY TRAINING PROGRAMS SHALL PROVIDE EDUCATIONAL
15 ACTIVITIES TO ASSIST COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS AND
16 OTHER MEMBERS OF THE FINANCIAL SERVICE INDUSTRY IN DEVELOPING LENDING
17 AND INVESTMENT PRODUCTS, UNDERWRITING AND SERVING LOANS, MANAGING
18 EQUITY INVESTMENTS, AND PROVIDING DEVELOPMENT SERVICES TARGETED TO
19 AREAS OF ECONOMIC DISTRESS, LOW-INCOME PERSONS, OR PERSONS WHO LACK
20 ADEQUATE ACCESS TO LOANS AND EQUITY INVESTMENTS.

21 (3) THE TRAINING PROGRAM SHALL BE MADE AVAILABLE TO
22 COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS AND OTHER MEMBERS OF
23 THE FINANCIAL SERVICES INDUSTRY THAT SERVE OR SEEK TO SERVE AREAS OF
24 ECONOMIC DISTRESS, LOW-INCOME PERSONS, AND PERSONS WHO LACK ADEQUATE
25 ACCESS TO LOANS AND EQUITY INVESTMENTS.

26 (4) TRAINING PROGRAMS DESCRIBED IN THIS SECTION OFFERED BY
27 THE INVESTMENT FUND SHALL BE THROUGH CONTRACTING WITH OTHER
28 ORGANIZATIONS. THE FUND SHALL CONTRACT TO PROVIDE THE TRAINING PROGRAM
29 ONLY THROUGH ORGANIZATIONS THAT POSSESS EXPERIENCE IN TRAINING AND
30 SPECIAL EXPERTISE IN COMMUNITY DEVELOPMENT, WITHOUT REGARD TO
31 WHETHER THE ORGANIZATIONS RECEIVE OR ARE ELIGIBLE TO RECEIVE ASSISTANCE
32 UNDER THIS SUBTITLE.

33 (5) THE INVESTMENT FUND SHALL COORDINATE WITH OTHER
34 APPROPRIATE FEDERAL AND STATE DEPARTMENTS, AGENCIES, OR OTHER PUBLIC
35 BENEFIT CORPORATIONS THAT PROVIDE SIMILAR TRAINING PROGRAMS IN ORDER
36 TO PREVENT DUPLICATIVE EFFORTS.

37 (6) THE INVESTMENT FUND MAY, AT THE DISCRETION OF THE
38 ADMINISTRATOR AND IN ACCORDANCE WITH THIS SUBSECTION, ASSESS AND
39 COLLECT REGULATORY FEES SOLELY TO COVER THE COSTS OF THE INVESTMENT
40 FUND IN PROVIDING TRAINING SERVICES UNDER A TRAINING PROGRAM OPERATED
41 IN ACCORDANCE WITH THIS SECTION.

1 13-215.

2 (A) PRIOR TO REQUESTING INFORMATION DIRECTLY FROM AN INSURED
3 COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION OR OTHER INSTITUTION THAT
4 IS EXAMINED BY OR SUBJECT TO THE REPORTING REQUIREMENTS OF AN
5 APPROPRIATE FEDERAL BANKING AGENCY, THE INVESTMENT FUND SHALL REQUEST
6 THIS INFORMATION FROM THE FEDERAL AGENCY IF THAT AGENCY IS ALREADY
7 IMPOSING REPORTING REQUIREMENTS OR RECORD KEEPING REQUIREMENTS IN
8 THE FORM, FORMAT, AND DETAIL REQUIRED BY THE FUND EXCEPT AS PROVIDED IN
9 SUBSECTION (D) OF THIS SECTION.

10 (B) IF THE INFORMATION, REPORTS, OR RECORDS REQUESTED BY THE
11 INVESTMENT FUND PURSUANT TO SUBSECTION (A) OF THIS SECTION ARE NOT
12 PROVIDED BY THE APPROPRIATE FEDERAL BANKING AGENCY IN LESS THAN 30
13 CALENDAR DAYS AFTER THE DATE ON WHICH THE MATERIAL IS REQUESTED, THE
14 FUND MAY REQUEST THE INFORMATION FROM OR IMPOSE THE RECORD KEEPING OR
15 REPORTING REQUIREMENTS ON SUCH INSTITUTIONS DIRECTLY.

16 (C) THE FUND SHALL USE ANY INFORMATION ACQUIRED PURSUANT TO
17 SUBSECTION (A) OF THIS SECTION TO THE EXTENT PRACTICABLE TO ELIMINATE
18 DUPLICATIVE REQUESTS FOR INFORMATION, REPORTS, AND RECORD KEEPING BY
19 AN INSURED COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION OR OTHER
20 INSTITUTION THAT IS EXAMINED BY OR SUBJECT TO THE REPORTING
21 REQUIREMENTS OF AN APPROPRIATE FEDERAL BANKING AGENCY.

22 (D) NOTWITHSTANDING SUBSECTIONS (A) AND (B) OF THIS SECTION, THE
23 INVESTMENT FUND MAY REQUIRE AN INSURED COMMUNITY DEVELOPMENT
24 FINANCIAL INSTITUTION OR OTHER INSTITUTION THAT IS EXAMINED BY OR
25 SUBJECT TO THE REPORTING REQUIREMENTS OF AN APPROPRIATE FEDERAL
26 BANKING AGENCY TO PROVIDE INFORMATION WITH RESPECT TO THE INSTITUTION'S
27 IMPLEMENTATION OF ITS STRATEGIC PLAN OR COMPLIANCE WITH THE TERMS OF
28 ITS ASSISTANCE AGREEMENT UNDER THIS SUBTITLE.

29 13-216.

30 (A) ALL CDFIS SHALL BE AUDITED AT LEAST ONCE ANNUALLY. ALL
31 NONDEPOSITORY INSTITUTIONS SHALL SUBMIT A STATEMENT, OR STATEMENTS, OF
32 FINANCIAL CONDITION BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT. ALL
33 NONDEPOSITORY INSTITUTIONS SHALL SUBMIT COPIES OF FINANCIAL STATEMENTS
34 AS PROVIDED TO THE APPROPRIATE GOVERNMENTAL REGULATORY AGENCY.

35 (B) EACH CDFI SHALL SUBMIT TO THE INVESTMENT FUND AN ANNUAL
36 REPORT NOT LATER THAN 90 DAYS AFTER THE END OF EACH FISCAL YEAR FOR THAT
37 INSTITUTION AND KEEP SUCH RECORDS AS MAY BE NECESSARY TO DISCLOSE THE
38 MANNER IN WHICH ANY ASSISTANCE UNDER THIS SECTION IS USED.

39 (C) EACH COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION OR OTHER
40 ORGANIZATION RECEIVING ASSISTANCE FROM THE INVESTMENT FUND SHALL
41 PROVIDE SUCH DATA THAT IS DETERMINED TO BE APPROPRIATE BY THE FUND.
42 SUCH DATA SHALL INCLUDE THE NUMBER OF PROJECTS ASSISTED, THE AMOUNT

1 AND TYPE OF ASSISTANCE PROVIDED, A DESCRIPTION OF THE PROJECTS, THE
2 AMOUNT AND SOURCE OF FUNDS LEVERAGED, AND SUCH OTHER INFORMATION AS
3 THE CORPORATION MAY REQUIRE.

4 (D) ORGANIZATIONS THAT RECEIVE CAPITAL ASSISTANCE PURSUANT TO §
5 13-213 OF THIS SUBTITLE SHALL:

6 (1) SUBMIT TO THE INVESTMENT FUND, NOT LESS THAN ONCE IN
7 EVERY 18-MONTH PERIOD, FINANCIAL STATEMENTS AUDITED BY AN INDEPENDENT
8 CERTIFIED PUBLIC ACCOUNTANT;

9 (2) SUBMIT AN ANNUAL REPORT ON ACTIVITIES; AND

10 (3) KEEP SUCH RECORDS AS MAY BE NECESSARY TO DISCLOSE THE
11 MANNER IN WHICH ANY ASSISTANCE UNDER THIS SUBTITLE IS USED.

12 13-217.

13 (A) THE INVESTMENT FUND SHALL CONDUCT AN ANNUAL EVALUATION OF
14 THE ACTIVITIES CARRIED OUT BY THE FUND AND THE COMMUNITY DEVELOPMENT
15 FINANCIAL INSTITUTIONS AND OTHER ORGANIZATIONS ASSISTED PURSUANT TO
16 THIS SUBTITLE. THE CRITERIA OF THIS EVALUATION WILL BE DETERMINED BY THE
17 GOVERNING BOARD. THE FUND SHALL SUBMIT A REPORT OF ITS FINDINGS TO THE
18 GOVERNOR NOT LATER THAN 90 DAYS AFTER THE END OF EACH FISCAL YEAR OF
19 THE FUND.

20 (B) THE FUND MAY CONTRACT OUT SUCH STUDIES AS THE FUND
21 DETERMINES NECESSARY TO FURTHER THE PURPOSE OF THIS SUBTITLE AND TO
22 FACILITATE INVESTMENT IN DISTRESSED COMMUNITIES. THE FINDINGS OF ANY
23 STUDIES CONDUCTED PURSUANT TO THIS SUBSECTION SHALL BE INCLUDED IN THE
24 REPORT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION. THESE STUDIES
25 SHALL BE MADE AVAILABLE TO THE PUBLIC.

26 (C) THE INVESTMENT FUND SHALL ADMINISTER A DATABASE AS DESCRIBED
27 IN § 13-218 OF THIS SUBTITLE.

28 (D) THE INVESTMENT FUND MAY NOT DISCLOSE CONFIDENTIAL
29 INFORMATION OBTAINED PURSUANT TO THIS SUBTITLE FROM ANY PARTY WITHOUT
30 THE WRITTEN CONSENT OF THAT PARTY EXCEPT AS OTHERWISE PROVIDED BY LAW.

31 13-218.

32 (A) THE INVESTMENT FUND SHALL DEVELOP AND IMPLEMENT A PROGRAM
33 TO STORE AND ANALYZE THE DATA PROVIDED PURSUANT TO §§ 13-212 AND 13-213 OF
34 THIS SUBTITLE, AND OTHER APPROPRIATE DATA.

35 (B) IN GENERAL, THE INVESTMENT FUND SHALL:

1 (1) COLLECT AND COMPILE INFORMATION PERTINENT TO COMMUNITY
2 DEVELOPMENT FINANCIAL INSTITUTIONS THAT WILL ASSIST IN CREATING,
3 DEVELOPING, EXPANDING, AND PRESERVING SUCH INSTITUTIONS; AND

4 (2) MAKE SUCH INFORMATION AVAILABLE TO PROMOTE THE PURPOSES
5 OF THIS SUBTITLE.

6 13-219.

7 THE GOVERNING BOARD IS AUTHORIZED TO IMPLEMENT IN ACCORDANCE
8 WITH THIS SUBTITLE RULES OR REGULATIONS NECESSARY TO CARRY OUT THE
9 PURPOSES OF THIS SUBTITLE.

10 13-220.

11 IF ANY CLAUSE, SENTENCE, PARAGRAPH, SUBDIVISION, SECTION, OR PART OF
12 THIS SUBTITLE OR IF ANY APPLICATION THEREOF TO ANY PERSON OR
13 CIRCUMSTANCES IS HELD INVALID, THE REMAINDER OF THE SUBTITLE AND THE
14 APPLICATION OF THE PROVISION TO OTHER PERSONS AND CIRCUMSTANCES MAY
15 NOT BE AFFECTED BY THAT INVALIDATION.

16 SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the initial
17 appointed members of the governing board of the Maryland Community Development
18 Financial Institutions Investment Fund shall expire as follows:

19 (1) Five members in 2001;

20 (2) Four members in 2000; and

21 (3) Four members in 1999.

22 SECTION 3. AND BE IT FURTHER ENACTED, That the terms of the initial
23 elected members of the investment committee of the Maryland Community
24 Development Financial Institutions Investment Fund shall expire as follows:

25 (1) Two members in 2000; and

26 (2) Two members in 1999.

27 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 1998.