
By: **Delegates Conway, McClenahan, W. Baker, Cane, and Bozman**
Introduced and read first time: January 31, 2002
Assigned to: Environmental Matters

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 23, 2002

CHAPTER _____

1 AN ACT concerning

2 **Environment - Maryland Water Quality Financing Administration Loans -**
3 **Lenders**

4 FOR the purpose of altering certain definitions to allow an institution of the Farm
5 Credit System organized under the Farm Credit Act of 1971 to participate in the
6 Linked Deposit Program; and generally relating to the Maryland Water Quality
7 Financing Administration loans.

8 BY repealing and reenacting, with amendments,
9 Article - Environment
10 Section 9-1606.1(a)(1) through (3)
11 Annotated Code of Maryland
12 (1996 Replacement Volume and 2001 Supplement)

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

15 **Article - Environment**

16 9-1606.1.

17 (a) (1) In this section the following words have the meanings indicated.

18 (2) "Lender" means a financial institution that:

19 (i) Is eligible to make commercial loans;

20 (ii) [Is a public depository of State funds;

1 (iii)] Agrees to receive linked deposits under this subtitle; and

2 [(iv) Is insured by the Federal Deposit Insurance Corporation]

3 (III) 1. IS A PUBLIC DEPOSITORY OF STATE FUNDS INSURED BY
4 THE FEDERAL DEPOSIT INSURANCE CORPORATION; OR

5 2. IS AN INSTITUTION OF THE FARM CREDIT SYSTEM
6 ORGANIZED UNDER THE FARM CREDIT ACT OF 1971, AS AMENDED.

7 (3) "Linked deposit" means a deposit OR INVESTMENT that is placed by
8 the Administration with a lender and earns income below the prevailing market rate
9 for equivalent deposits OR INVESTMENTS made with the lender at the time of the
10 deposit OR INVESTMENT.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 October 1, 2002.