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House action: Adopted
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CHAPTER _____

1 AN ACT concerning

2 **2020 Rural Maryland Prosperity Investment - Agricultural and**
3 **Resource-Based Industry Development Act**

4 FOR the purpose of ~~establishing the Rural Maryland Prosperity Investment Program~~
5 ~~for certain purposes; directing certain departments to include certain funding in~~
6 ~~certain budget requests for certain fiscal years; providing for the allocation and~~
7 ~~application of certain funds; providing for the alteration of certain baseline~~
8 ~~budgets under certain circumstances; establishing the Maryland Agricultural~~
9 ~~and Resource-Based Industry Development Corporation for certain purposes;~~
10 ~~establishing the membership, terms, and duties of the board of directors of the~~
11 ~~corporation; providing for the staffing of and assistance to the corporation;~~
12 ~~establishing the powers and duties of the corporation; authorizing the~~
13 ~~corporation to acquire and dispose of certain property, to finance certain~~
14 ~~projects, to issue, redeem, and secure certain bonds and debt, including revenue~~
15 ~~bonds and refunding bonds; authorizing the corporation to make certain loans,~~
16 ~~insure certain assets and matters, establish and collect certain charges, and~~
17 ~~establish and pay certain interest; authorizing certain lending institutions and~~
18 ~~other persons to take certain actions concerning the corporation; establishing~~
19 ~~the conditions under which the corporation may issue and redeem certain debt;~~
20 ~~providing that neither the State nor any political subdivision other than the~~
21 ~~corporation shall be obliged to pay a bond or interest of the corporation except~~
22 ~~from revenues pledged on the bond; providing that neither the full faith and~~
23 ~~credit nor the taxing power of the State or any political subdivision of the State~~

1 is pledged to the payment of the principal or interest of bonds of the corporation;
 2 ~~authorizing the Treasurer to advance certain funds to the corporation, to be~~
 3 ~~repaid in a certain manner~~; providing that the books and records of the
 4 corporation are subject to audit; providing for certain exemptions from certain
 5 State laws for the corporation; providing that the corporation and certain
 6 persons are subject to certain laws; ~~providing for certain funding for the~~
 7 ~~corporation~~; providing that the debts, claims, obligations, and liabilities of the
 8 corporation are of the corporation only, and not of the State or any other unit,
 9 instrumentality, officer, or employee of the State; defining certain terms; stating
 10 certain findings of the General Assembly; requiring certain reports about the
 11 ~~Program and the Corporation~~ corporation to certain persons on certain dates;
 12 ~~altering the termination date of the Smart Growth Economic Development~~
 13 ~~Infrastructure Fund; providing for the termination of a portion of this Act;~~
 14 making the provisions of this Act severable; stating the intent that funding for
 15 the corporation must be provided within existing resources of certain State
 16 agencies and that additional funding may not be provided until certain
 17 conditions are met; and generally relating to ~~investments in rural areas of~~
 18 Maryland ~~and in~~ agricultural and resource-based industry development.

19 BY adding to

20 Article 41 - Governor - Executive and Administrative Departments
 21 Section 13-501 through ~~13-506~~ 13-515, inclusive, to be under the new subtitle
 22 "Subtitle 5. ~~Rural Maryland Prosperity Investment Program~~"; and ~~13-601~~
 23 ~~through 13-616, inclusive, to be under the new subtitle "Subtitle 6.~~
 24 Maryland Agricultural and Resource-Based Industry Development
 25 Corporation"
 26 Annotated Code of Maryland
 27 (2003 Replacement Volume)

28 ~~BY repealing and reenacting, with amendments,~~

29 ~~Chapter 304 of the Acts of the General Assembly of 1999~~
 30 ~~Section 3~~

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

33 ~~Article 41 - Governor - Executive and Administrative Departments~~

34 ~~SUBTITLE 5. RURAL MARYLAND PROSPERITY INVESTMENT PROGRAM.~~

35 ~~13-501.~~

36 (A) ~~IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS~~
 37 ~~INDICATED.~~

38 (B) ~~"AGRICULTURE" MEANS THE COMMERCIAL PRODUCTION, STORAGE,~~
 39 ~~PROCESSING, MARKETING, DISTRIBUTION, OR EXPORT OF AN AGRONOMIC,~~

~~1 AQUACULTURAL, EQUINE, FLORICULTURAL, HORTICULTURAL, ORNAMENTAL,
2 SILVICULTURAL, OR VITICULTURAL CROP, INCLUDING:~~

~~3 (1) FARM PRODUCTS;~~

~~4 (2) LIVESTOCK AND LIVESTOCK PRODUCTS;~~

~~5 (3) POULTRY AND POULTRY PRODUCTS;~~

~~6 (4) MILK AND DAIRY PRODUCTS;~~

~~7 (5) TIMBER AND FOREST PRODUCTS;~~

~~8 (6) FRUIT AND HORTICULTURAL PRODUCTS; AND~~

~~9 (7) SEAFOOD AND AQUACULTURAL PRODUCTS.~~

~~10 (C) "AGRICULTURAL AREA" MEANS ANY AREA IN THE STATE WHERE
11 AGRICULTURE OCCURS.~~

~~12 (D) "RURAL AREA" MEANS ALLEGANY, CALVERT, CAROLINE, CARROLL, CECIL,
13 CHARLES, DORCHESTER, FREDERICK, GARRETT, HARFORD, KENT, QUEEN ANNE'S, ST.
14 MARY'S, SOMERSET, TALBOT, WASHINGTON, WICOMICO, AND WORCESTER COUNTIES.~~

~~15 (E) (1) "RURAL COMMUNITY" MEANS AN INCORPORATED OR
16 UNINCORPORATED AREA OF A COUNTY OR GROUP OF COUNTIES IN A RURAL AREA.~~

~~17 (2) "RURAL COMMUNITY" INCLUDES A COUNTY OR MUNICIPAL
18 CORPORATION IN A RURAL AREA.~~

~~19 (F) "PROGRAM" MEANS THE RURAL MARYLAND PROSPERITY INVESTMENT
20 PROGRAM UNDER THIS SUBTITLE.~~

~~21 13-502.~~

~~22 THE GENERAL ASSEMBLY FINDS THAT:~~

~~23 (1) MANY RURAL COMMUNITIES IN THE STATE ARE FACING A HOST OF
24 DIFFICULT CHALLENGES RELATING TO PERSISTENT UNEMPLOYMENT AND
25 POVERTY, CHANGING TECHNOLOGICAL AND ECONOMIC CONDITIONS, AN AGING
26 POPULATION AND AN OUT MIGRATION OF YOUTH, INADEQUATE ACCESS TO
27 QUALITY HOUSING, HEALTH CARE AND OTHER SERVICES, AND DETERIORATING OR
28 INADEQUATE TRANSPORTATION, COMMUNICATIONS, SANITATION, AND ECONOMIC
29 DEVELOPMENT INFRASTRUCTURE;~~

~~30 (2) THE STATE'S AGRICULTURAL AND RESOURCE-BASED INDUSTRIES
31 CONTINUE TO UNDERPIN THE LOCAL ECONOMIES OF RURAL COMMUNITIES, BUT
32 ARE INCREASINGLY UNDER THREAT FROM NATIONAL AND INTERNATIONAL MARKET
33 COMPETITION, URBAN ENCROACHMENT AND LAND DEVELOPMENT PRESSURE,
34 ENVIRONMENTAL AND REGULATORY INFLUENCES, AND LACK OF ACCESS TO CREDIT
35 AND CAPITAL FOR NEW ENTERPRISE DEVELOPMENT;~~

1 (3) LOCAL GOVERNMENTS, REGIONAL ORGANIZATIONS, EDUCATIONAL
2 INSTITUTIONS, AND PRIVATE SECTOR SERVICE PROVIDERS HAVE BEEN UNABLE TO
3 MEET ALL THE ECONOMIC DEVELOPMENT, COMMUNITY DEVELOPMENT, AND
4 HUMAN SERVICES NEEDS OF MARYLAND CITIZENS RESIDING IN THE RURAL
5 COUNTIES AND MUNICIPAL CORPORATIONS BECAUSE OF A LACK OF ADEQUATE
6 AVAILABLE CAPACITY AND RESOURCES;

7 (4) (I) THE OBJECTIVE OF THE RURAL MARYLAND PROSPERITY
8 INVESTMENT PROGRAM IS TO RAISE THE OVERALL STANDARD OF LIVING IN RURAL
9 AREAS BY THE YEAR 2020 TO A LEVEL THAT MEETS OR EXCEEDS STATEWIDE
10 BENCHMARK AVERAGES, WHILE AT THE SAME TIME PRESERVING THE BEST ASPECTS
11 OF A PASTORAL HERITAGE AND RURAL WAY OF LIFE;

12 (II) THE PROGRAM, WHEN IMPLEMENTED, WILL MAKE
13 SIGNIFICANT TARGETED INVESTMENTS IN IMPORTANT ECONOMIC AND COMMUNITY
14 DEVELOPMENT PROGRAMS AND IN KEY RURAL INDUSTRY SECTORS; AND

15 (III) THESE TIMELY INVESTMENTS SHOULD ALSO ENABLE LOCAL
16 AND REGIONAL PUBLIC AND NOT FOR PROFIT ORGANIZATIONS TO LEVERAGE
17 ADDITIONAL NONSTATE FINANCIAL AND HUMAN RESOURCES TO FACILITATE THE
18 REALIZATION OF SUSTAINABLE RURAL DEVELOPMENT OBJECTIVES WHILE THE
19 PROGRAM IS IN EFFECT; AND

20 (5) THE PROGRAM WILL SERVE THE INTERESTS OF THE ENTIRE STATE
21 BY:

22 (I) ENCOURAGING THE INCREASE OF BUSINESS ACTIVITY AND
23 COMMERCE AND A BALANCED ECONOMY IN THE STATE;

24 (II) ASSISTING IN THE RETENTION OF EXISTING BUSINESS
25 ACTIVITY AND COMMERCE AND IN THE ATTRACTION OF NEW BUSINESS ACTIVITY
26 ACROSS THE STATE;

27 (III) RELIEVING CONDITIONS OF UNEMPLOYMENT AND
28 UNDEREMPLOYMENT IN RURAL AREAS;

29 (IV) EXPANDING THE AVAILABILITY OF CAPITAL AND CREDIT FOR
30 SMALL AND AGRICULTURAL BUSINESS DEVELOPMENT AND OTHERWISE PROMOTING
31 ENTREPRENEURIAL ACTIVITY IN RURAL AREAS;

32 (V) RETAINING VALUABLE FARM AND FOREST LAND FOR
33 PRODUCTIVE USE BY PRESENT AND FUTURE GENERATIONS;

34 (VI) PROMOTING INTERGOVERNMENTAL COOPERATION AND
35 PUBLIC SECTOR/PRIVATE SECTOR PARTNERSHIPS IN AND BETWEEN RURAL AND
36 OTHER AREAS;

37 (VII) ENHANCING THE DEPLOYMENT OF TRANSPORTATION,
38 WASTEWATER, AND BROADBAND COMMUNICATIONS INFRASTRUCTURE AND
39 SERVICES IN RURAL AREAS;

1 (VIII) ~~SUPPORTING RURAL COMMERCIAL CENTER REDEVELOPMENT~~
2 ~~AND COMMUNITY REVITALIZATION EFFORTS; AND~~

3 (IX) ~~GENERALLY PROMOTING THE HEALTH, HAPPINESS, SAFETY,~~
4 ~~EMPLOYMENT OPPORTUNITY, AND WELFARE OF THE RESIDENTS OF EACH OF THE~~
5 ~~RURAL COUNTIES AND MUNICIPAL CORPORATIONS OF THE STATE.~~

6 ~~13-503.~~

7 (A) ~~THERE IS A RURAL MARYLAND PROSPERITY INVESTMENT PROGRAM.~~

8 (B) ~~THE PURPOSE OF THE PROGRAM IS TO PROVIDE SPECIFIED FUNDING FOR~~
9 ~~THE SUPPORT OF RURAL AREAS THROUGH STATE AND REGIONAL UNITS THROUGH~~
10 ~~2020 IN ACCORDANCE WITH §§ 13-504 AND 13-505 OF THIS SUBTITLE.~~

11 ~~13-504.~~

12 (A) ~~THIS SECTION APPLIES TO THE STATE BUDGETS PREPARED FOR FISCAL~~
13 ~~YEARS 2006 THROUGH 2010, INCLUSIVE.~~

14 (B) ~~EACH YEAR THE DEPARTMENT OF BUSINESS AND ECONOMIC~~
15 ~~DEVELOPMENT SHALL INCLUDE THE FOLLOWING IN ITS BUDGET REQUEST TO THE~~
16 ~~GOVERNOR:~~

17 (1) ~~AT LEAST \$7,500,000 FOR THE SMART GROWTH ECONOMIC~~
18 ~~DEVELOPMENT INFRASTRUCTURE FUND ESTABLISHED UNDER ARTICLE 83A, § 5-701~~
19 ~~OF THE CODE; AND~~

20 (2) ~~AT LEAST \$2,000,000 EQUALLY APPORTIONED AMONG THE STATE'S~~
21 ~~FIVE RURAL REGIONAL PLANNING AND DEVELOPMENT COUNCILS ESTABLISHED~~
22 ~~UNDER ARTICLES 20, 20A, 20B, 20C, AND 20D OF THE CODE TO BE USED TO CAPITALIZE~~
23 ~~AND OPERATE REVOLVING BUSINESS DEVELOPMENT LOAN FUNDS ESTABLISHED BY~~
24 ~~THE COUNCILS.~~

25 (C) ~~EACH YEAR THE DEPARTMENT OF BUDGET AND MANAGEMENT SHALL~~
26 ~~INCLUDE AT LEAST \$2,500,000 IN ITS BUDGET REQUEST TO THE GOVERNOR TO~~
27 ~~SUPPORT THE DEPLOYMENT OF BROADBAND COMMUNICATIONS INFRASTRUCTURE~~
28 ~~AND COMPETITIVE TELECOMMUNICATIONS SERVICES THROUGHOUT THE RURAL~~
29 ~~AREAS OF THE STATE TO ENHANCE BUSINESS AND ECONOMIC DEVELOPMENT.~~

30 (D) ~~EACH YEAR THE DEPARTMENT OF HOUSING AND COMMUNITY~~
31 ~~DEVELOPMENT SHALL INCLUDE THE FOLLOWING IN ITS BUDGET REQUEST TO THE~~
32 ~~GOVERNOR:~~

33 (1) ~~AT LEAST \$300,000 TO SUPPORT THE OPERATIONS OF A QUALIFIED~~
34 ~~STATEWIDE MICROENTERPRISE DEVELOPMENT INTERMEDIARY ORGANIZATION AND~~
35 ~~VARIOUS INDIVIDUAL EXISTING OR EMERGING MICROENTERPRISE DEVELOPMENT~~
36 ~~ORGANIZATIONS SERVING RURAL COMMUNITIES IN THE STATE; AND~~

~~1 (2) AT LEAST \$250,000 TO ASSIST SMALL COMMUNITIES WITH
2 POPULATIONS OF LESS THAN 3,000 WITH PLANNING, DESIGN, AND APPLICATION
3 PREPARATION FOR GRANTS MADE UNDER THE COMMUNITY LEGACY PROGRAM
4 ESTABLISHED UNDER ARTICLE 83B, § 4-802 OF THE CODE.~~

~~5 13-505.~~

~~6 (A) THIS SECTION APPLIES TO THE STATE BUDGETS PREPARED FOR FISCAL
7 YEARS 2006 THROUGH 2020, INCLUSIVE.~~

~~8 (B) EACH YEAR THE DEPARTMENT OF AGRICULTURE SHALL INCLUDE IN ITS
9 BUDGET REQUEST TO THE GOVERNOR AT LEAST \$500,000 TO BE USED TO PROMOTE
10 AND MARKET MARYLAND AGRICULTURAL PRODUCTS BOTH DOMESTICALLY AND
11 INTERNATIONALLY.~~

~~12 (C) (1) EACH YEAR THE RURAL MARYLAND COUNCIL ESTABLISHED UNDER
13 ARTICLE 41, TITLE 15 OF THE CODE SHALL INCLUDE THE FOLLOWING IN ITS BUDGET
14 REQUEST TO THE GOVERNOR:~~

~~15 (I) AT LEAST \$200,000 TO BE USED TO PROVIDE SUPPORT FOR THE
16 GENERAL OPERATIONS OF THE COUNCIL; AND~~

~~17 (II) AT LEAST \$500,000 FOR THE SMALL GRANTS PROGRAM
18 AUTHORIZED UNDER THE MARYLAND AGRICULTURAL EDUCATION AND RURAL
19 DEVELOPMENT ASSISTANCE FUND ESTABLISHED UNDER § 2-206 OF THE STATE
20 FINANCE AND PROCUREMENT ARTICLE, OF WHICH NOT MORE THAN 10% MAY BE
21 USED TO COVER ADMINISTRATIVE, TRAINING, AND OTHER EXPENSES INCURRED BY
22 THE COUNCIL.~~

~~23 (2) IN ADDITION TO THE AMOUNT SPECIFIED IN PARAGRAPH (1)(II) OF
24 THIS SUBSECTION, EACH YEAR THE RURAL MARYLAND COUNCIL SHALL INCLUDE IN
25 ITS BUDGET REQUEST TO THE GOVERNOR A TOTAL OF \$1,300,000 FOR THE MARYLAND
26 AGRICULTURAL EDUCATION AND RURAL DEVELOPMENT ASSISTANCE FUND
27 EXCLUSIVELY FOR THE PURPOSE OF PROVIDING TARGETED SUPPORT TO THE
28 STATE'S FIVE RURAL REGIONAL PLANNING AND DEVELOPMENT COUNCILS
29 ESTABLISHED UNDER ARTICLES 20, 20A, 20B, 20C, AND 20D OF THE CODE, TO BE
30 ALLOCATED AS FOLLOWS:~~

~~31 (I) IN SUBACCOUNT A, \$250,000 TO BE USED SOLELY TO PROVIDE
32 BUSINESS DEVELOPMENT AND MARKETING SUPPORT TO AGRICULTURAL AND
33 RESOURCE BASED BUSINESSES WITHIN A RURAL REGION;~~

~~34 (II) IN SUBACCOUNT B, \$800,000 TO BE USED SOLELY TO SUPPORT
35 ACTIVITIES RELATED TO TRANSPORTATION PLANNING WITHIN A RURAL REGION;
36 AND~~

~~37 (III) IN SUBACCOUNT C, \$250,000 TO BE USED FOR ACTIVITIES
38 RELATED TO DEFENSE INDUSTRY DEVELOPMENT RETENTION, SOCIAL SERVICES
39 AND HEALTH CARE ACCESS, AND MAJOR ECONOMIC DISLOCATION WITHIN A RURAL
40 REGION.~~

1 (3) (4) ~~THE SUBACCOUNT FUNDS DISTRIBUTED TO THE RURAL~~
2 ~~REGIONAL PLANNING AND DEVELOPMENT COUNCILS UNDER PARAGRAPH (2) OF~~
3 ~~THIS SUBSECTION SHALL BE AWARDED ON A COMPETITIVE BASIS BY THE~~
4 ~~INTERAGENCY GRANTS SELECTION BOARD ESTABLISHED UNDER § 2-206 OF THE~~
5 ~~STATE FINANCE AND PROCUREMENT ARTICLE.~~

6 (H) ~~THE BOARD MAY DECLINE TO AWARD A GRANT IF IN ITS~~
7 ~~JUDGMENT THE GRANT APPLICATION IS INCOMPLETE OR LACKS MERIT.~~

8 (HH) ~~IF IN ANY GIVEN YEAR FUNDS REMAIN TO BE DISPERSED IN A~~
9 ~~SUBACCOUNT AFTER THE GRANT AWARDS ARE MADE, THOSE FUNDS SHALL BE~~
10 ~~RETAINED IN THE FUND FOR FUTURE DISTRIBUTION.~~

11 (D) (1) ~~EACH YEAR THE DEPARTMENT OF HOUSING AND COMMUNITY~~
12 ~~DEVELOPMENT SHALL INCLUDE THE FOLLOWING IN ITS BUDGET REQUEST TO THE~~
13 ~~GOVERNOR:~~

14 (I) ~~AT LEAST \$250,000 FOR THE MUNICIPAL CIRCUIT RIDER~~
15 ~~ASSISTANCE PROGRAM TO SUPPORT AND STRENGTHEN EFFORTS IN EXISTING~~
16 ~~CIRCUITS AND TO ADD NEW CIRCUITS IN AREAS OF NEED ACROSS THE STATE; AND~~

17 (HI) ~~AT LEAST \$250,000 FOR THE MAIN STREET ASSISTANCE~~
18 ~~PROGRAM WITH A SPECIAL EMPHASIS ON HELPING SMALLER RURAL COMMUNITIES~~
19 ~~THAT DO NOT HAVE THE RESOURCES TO EMPLOY FULL TIME STAFF.~~

20 (2) ~~AT LEAST 25% OF THE ANNUAL APPROPRIATION FOR THE~~
21 ~~COMMUNITY LEGACY PROGRAM ESTABLISHED UNDER ARTICLE 83B, § 4-802 OF THE~~
22 ~~CODE SHALL BE RESERVED FOR GRANTS FOR COMMUNITIES LOCATED IN RURAL~~
23 ~~AREAS OF THE STATE.~~

24 (E) ~~EACH YEAR THE DEPARTMENT OF THE ENVIRONMENT SHALL INCLUDE AT~~
25 ~~LEAST \$10,000,000 IN ITS BUDGET REQUEST SUBMITTED TO THE GOVERNOR FOR THE~~
26 ~~SUPPLEMENTAL ASSISTANCE GRANT PROGRAM FOR WASTEWATER FACILITY~~
27 ~~IMPROVEMENTS IN SMALLER COMMUNITIES AND IN COMMUNITIES WITH MEDIAN~~
28 ~~HOUSEHOLD INCOMES BELOW THE STATEWIDE AVERAGE.~~

29 (F) ~~THE BOARD OF PUBLIC WORKS SHALL INCLUDE THE FOLLOWING~~
30 ~~AMOUNTS IN ITS BUDGET SUBMISSION TO THE GOVERNOR FOR THE MARYLAND~~
31 ~~AGRICULTURAL AND RESOURCE-BASED INDUSTRY DEVELOPMENT CORPORATION~~
32 ~~ESTABLISHED UNDER SUBTITLE 6 OF THIS TITLE:~~

33 (1) ~~FOR FISCAL YEAR 2006—\$4,500,000;~~

34 (2) ~~FOR FISCAL YEAR 2007—\$4,250,000;~~

35 (3) ~~FOR FISCAL YEAR 2008—\$4,000,000;~~

36 (4) ~~FOR FISCAL YEAR 2009—\$3,750,000;~~

37 (5) ~~FOR FISCAL YEAR 2010—\$3,500,000;~~

- 1 (6) FOR FISCAL YEAR 2011—\$3,250,000;
2 (7) FOR FISCAL YEAR 2012—\$3,000,000;
3 (8) FOR FISCAL YEAR 2013—\$2,750,000;
4 (9) FOR FISCAL YEAR 2014—\$2,500,000;
5 (10) FOR FISCAL YEAR 2015—\$2,250,000;
6 (11) FOR FISCAL YEAR 2016—\$2,000,000;
7 (12) FOR FISCAL YEAR 2017—\$1,750,000;
8 (13) FOR FISCAL YEAR 2018—\$1,500,000;
9 (14) FOR FISCAL YEAR 2019—\$1,250,000; AND
10 (15) FOR FISCAL YEAR 2020—\$1,000,000.

11 (G) (1) IN FISCAL YEAR 2006, THE BASELINE BUDGETS OF THE
12 DEPARTMENTS AND UNITS SPECIFIED IN SUBSECTIONS (B) THROUGH (F) OF THIS
13 SECTION SHALL INCREASE BY THE AMOUNTS SPECIFIED IN THOSE SUBSECTIONS.

14 (2) IF, WHILE THE PROGRAM IS IN EFFECT, THE GOVERNOR AND
15 GENERAL ASSEMBLY FAIL TO APPROPRIATE ANY OR ALL OF THE INDIVIDUAL FUND
16 AMOUNTS SPECIFIED IN SUBSECTIONS (B) THROUGH (F) OF THIS SECTION IN ANY
17 GIVEN FISCAL YEAR, THE BASELINE BUDGET OF THE AFFECTED DEPARTMENT OR
18 UNIT SHALL BE INCREASED IN THE NEXT YEAR BY THE DIFFERENCE BETWEEN THE
19 AMOUNT SPECIFIED IN THIS SECTION AND THE AMOUNT ACTUALLY APPROPRIATED.

20 (3) IF IN 2 OR MORE FISCAL YEARS THE GOVERNOR AND GENERAL
21 ASSEMBLY FAIL TO APPROPRIATE ANY OR ALL OF THE INDIVIDUAL FUND AMOUNTS
22 SPECIFIED IN SUBSECTIONS (B) THROUGH (F) OF THIS SECTION IN ANY GIVEN
23 FISCAL YEAR, THE BASELINE BUDGET INCREASE REQUIRED UNDER PARAGRAPH (1)
24 OF THIS SUBSECTION SHALL BE CALCULATED WITH A CUMULATIVE EFFECT.

25 13-506.

26 (A) WITHIN 90 DAYS AFTER THE START OF EACH FISCAL YEAR, THE
27 DEPARTMENT OF BUDGET AND MANAGEMENT SHALL REPORT ON THE PROGRAM TO
28 THE WESTERN MARYLAND, SOUTHERN MARYLAND, EASTERN SHORE, AND HARFORD
29 COUNTY DELEGATIONS TO THE GENERAL ASSEMBLY, AND, SUBJECT TO § 2-1246 OF
30 THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY.

31 (B) THE REPORT SHALL SET FORTH AN ANNUAL AND CUMULATIVE
32 FINANCIAL ANALYSIS OF THE PROGRAM AND ITS FUNDING, AND SUMMARIZE THE
33 PROGRAM'S ACCOMPLISHMENTS DURING THE PRECEDING FISCAL YEAR.

34 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
35 read as follows:

Article 41 - Governor - Executive and Administrative DepartmentsSUBTITLE ~~6~~ 5 MARYLAND AGRICULTURAL AND RESOURCE-BASED INDUSTRY
DEVELOPMENT CORPORATION.~~4 13-601.~~ 13-501.

(A) IN THIS SUBTITLE THE FOLLOWING TERMS HAVE THE MEANINGS
INDICATED.

(B) "AGRICULTURAL LOAN" MEANS A LOAN MADE BY A LENDING INSTITUTION
TO ANY PERSON FOR THE PURPOSE OF FINANCING:

- (1) LAND ACQUISITION OR IMPROVEMENT;
- (2) AGRICULTURAL, AQUACULTURAL, EQUINE, HORTICULTURAL, OR
SILVICULTURAL PRODUCTION;
- (3) SOIL CONSERVATION;
- (4) POND CONSTRUCTION;
- (5) IRRIGATION;
- (6) WATER WELL DRILLING;
- (7) CONSTRUCTION, RENOVATION, OR EXPANSION OF BUILDINGS AND
FACILITIES;
- (8) PURCHASE OF FARM FIXTURES, LIVESTOCK, OR POULTRY;
- (9) FISH, CRUSTACEANS, AND MOLLUSKS OF ANY KIND;
- (10) SEEDS, PLANTS, AND TREES;
- (11) FERTILIZERS;
- (12) PESTICIDES;
- (13) FEEDS;
- (14) MACHINERY;
- (15) EQUIPMENT; OR
- (16) CONTAINERS OR SUPPLIES EMPLOYED IN THE PRODUCTION,
CULTIVATION, HARVESTING, PROCESSING, STORAGE, MARKETING, DISTRIBUTION,
OR EXPORT OF AGRICULTURAL PRODUCTS.

(C) "AGRICULTURE" MEANS THE COMMERCIAL PRODUCTION, STORAGE,
PROCESSING, MARKETING, DISTRIBUTION, OR EXPORT OF AN AGRONOMIC,

1 AQUACULTURAL, EQUINE, FLORICULTURAL, HORTICULTURAL, ORNAMENTAL,
2 SILVICULTURAL, OR VITICULTURAL CROP, INCLUDING:

- 3 (1) FARM PRODUCTS;
- 4 (2) LIVESTOCK AND LIVESTOCK PRODUCTS;
- 5 (3) POULTRY AND POULTRY PRODUCTS;
- 6 (4) MILK AND DAIRY PRODUCTS;
- 7 (5) TIMBER AND FOREST PRODUCTS;
- 8 (6) FRUIT AND HORTICULTURAL PRODUCTS; AND
- 9 (7) SEAFOOD AND AQUACULTURAL PRODUCTS.

10 (D) "BOARD" MEANS THE BOARD OF DIRECTORS OF THE CORPORATION.

11 (E) "BOND" MEANS A BOND, NOTE, RENEWAL NOTE, REFUNDING BOND,
12 INTERIM CERTIFICATE, CERTIFICATE OF INDEBTEDNESS, DEBENTURE, WARRANT,
13 COMMERCIAL PAPER, OR OTHER OBLIGATION OR EVIDENCE OF INDEBTEDNESS
14 AUTHORIZED TO BE ISSUED BY THE CORPORATION UNDER THIS SUBTITLE.

15 (F) "CORPORATION" MEANS THE MARYLAND AGRICULTURAL AND
16 RESOURCE-BASED INDUSTRY DEVELOPMENT CORPORATION ESTABLISHED UNDER
17 THIS SUBTITLE.

18 (G) "LENDING INSTITUTION" MEANS A BANK, BANK OR TRUST COMPANY,
19 FEDERAL LAND BANK, FARM CREDIT ASSOCIATION, BANK FOR COOPERATIVES,
20 BUILDING AND LOAN ASSOCIATION, HOMESTEAD, INSURANCE COMPANY,
21 INVESTMENT BANKER, MORTGAGE BANKER OR COMPANY, PENSION OR RETIREMENT
22 FUND, SAVINGS BANK OR SAVINGS AND LOAN ASSOCIATION, SMALL BUSINESS
23 INVESTMENT COMPANY, CREDIT UNION, OR ANY OTHER FINANCIAL INSTITUTION
24 AUTHORIZED TO DO BUSINESS IN THE STATE OR OPERATING UNDER THE
25 SUPERVISION OF A FEDERAL UNIT.

26 (H) (1) "PERSON" MEANS AN INDIVIDUAL, RECEIVER, TRUSTEE, GUARDIAN,
27 PERSONAL REPRESENTATIVE, FIDUCIARY, REPRESENTATIVE OF ANY KIND,
28 PARTNERSHIP, FIRM, ASSOCIATION, CORPORATION, OR OTHER ENTITY.

29 (2) "PERSON" INCLUDES A UNIT OF A STATE OR OF THE FEDERAL
30 GOVERNMENT.

31 (I) (1) "PROJECT" MEANS A PROPERTY, THE ACQUISITION, CONSTRUCTION,
32 RECONSTRUCTION, EQUIPPING, EXPANSION, EXTENSION, IMPROVEMENT,
33 REHABILITATION, OR REMODELING OF WHICH THE BOARD, IN ITS SOLE AND
34 ABSOLUTE DISCRETION, DETERMINES BY RESOLUTION WILL ACCOMPLISH AT LEAST
35 ONE OF THE PURPOSES LISTED IN §§ 13-602 AND 13-603 OF THIS SUBTITLE, WHETHER
36 THE PROPERTY, OR ANY INTEREST IN THE PROPERTY:

1 (I) IS OR WILL BE USED OR OPERATED FOR PROFIT OR NOT FOR
2 PROFIT;

3 (II) IS OR WILL BE LOCATED ON A SINGLE SITE OR MULTIPLE SITES;
4 OR

5 (III) MAY BE FINANCED BY BONDS, THE INTEREST ON WHICH IS
6 EXEMPT FROM FEDERAL INCOME TAXATION UNDER FEDERAL LAW.

7 (2) "PROJECT" INCLUDES:

8 (I) LAND OR ANY INTEREST IN LAND;

9 (II) BUILDINGS, STRUCTURES, MACHINERY, EQUIPMENT,
10 FURNISHINGS, RAIL OR MOTOR VEHICLES, BARGES, AND BOATS;

11 (III) REAL OR PERSONAL PROPERTY, OR ANY COMBINATION OF
12 THEM, AND RIGHTS RELATED TO THE PROPERTY, APPURTENANCES, RIGHTS-OF-WAY,
13 FRANCHISES, EASEMENTS, AND OTHER INTERESTS IN LAND;

14 (IV) LAND AND FACILITIES FUNCTIONALLY RELATED AND
15 SUBORDINATE TO THE PROJECT; AND

16 (V) PATENTS, LICENSES, AND OTHER RIGHTS NECESSARY OR
17 USEFUL IN THE CONSTRUCTION OR OPERATION OF A PROJECT.

18 (J) (1) "REVENUE" MEANS THE INCOME, REVENUE, AND OTHER MONEY
19 RECEIVED BY THE CORPORATION FROM OR IN CONNECTION WITH A PROJECT.

20 (2) "REVENUE" INCLUDES GRANTS, RENTALS, RATES, FEES, CHARGES
21 FOR THE USE OF THE SERVICES FURNISHED OR AVAILABLE, AND ALL OTHER
22 INCOME INURING TO THE CORPORATION.

23 (3) THE CORPORATION MAY FURTHER DEFINE OR LIMIT THE TERM
24 "REVENUE" AS APPLIED TO A PARTICULAR PROJECT, FINANCING, OR OTHER MATTER.
25 ~~13-602.~~ 13-502.

26 THE GENERAL ASSEMBLY FINDS THAT:

27 (1) THE STATE'S AGRICULTURAL AND RESOURCE-BASED INDUSTRIES
28 CONTINUE TO UNDERPIN THE LOCAL ECONOMIES OF RURAL COMMUNITIES, BUT
29 ARE INCREASINGLY UNDER THREAT FROM NATIONAL AND INTERNATIONAL MARKET
30 COMPETITION, URBAN ENCROACHMENT AND LAND DEVELOPMENT PRESSURE, AND
31 ENVIRONMENTAL AND REGULATORY INFLUENCES;

32 (2) THE CONSTRUCTION AND RENOVATION OF FOOD AND FIBER
33 PROCESSING AND SECONDARY MANUFACTURING FACILITIES OFTEN REQUIRE
34 CREDIT AND CAPITAL IN AMOUNTS THAT FAR EXCEED THE AVAILABLE RESOURCES
35 OF INDIVIDUAL SMALL PRODUCERS AND SMALL BUSINESSES;

1 (3) PRIVATE ENTERPRISE AND EXISTING FEDERAL AND STATE
2 GOVERNMENTAL PROGRAMS HAVE NOT ADEQUATELY ADDRESSED AGRICULTURAL
3 INDUSTRY SUPPORT OR DEVELOPMENTAL OPPORTUNITIES RELATING TO EMERGENT
4 VALUE-ADDED AGRICULTURAL PROCESSING ACTIVITIES, NEW OR ALTERNATIVE
5 MARKETS DEVELOPMENT, PRIMARY AND SECONDARY MANUFACTURING,
6 ASSISTANCE FOR BEGINNING FARMERS AND PRODUCERS, AND FINANCIAL SUPPORT
7 FOR ENVIRONMENTAL OR TECHNOLOGICAL ENHANCEMENTS;

8 (4) WHILE SOME TRADITIONAL AGRICULTURAL ENTERPRISES IN THE
9 STATE MAY HAVE ACCESS TO MARKETS, CAPITAL, AND CREDIT, OTHER EXISTING OR
10 EMERGING SEGMENTS OF THE AGRICULTURAL INDUSTRY LACK MARKET ACCESS,
11 CAPITAL, AND CREDIT AVAILABLE FOR INVESTMENT IN AGRICULTURE, FOR
12 DOMESTIC AND EXPORT PURPOSES, AND AT INTEREST RATES WITHIN THE
13 FINANCIAL MEANS OF PERSONS ENGAGED IN AGRICULTURAL PRODUCTION AND
14 AGRICULTURAL EXPORTS;

15 (5) IN CONJUNCTION WITH THE FINANCIAL AND OTHER CHALLENGES
16 ASSOCIATED WITH TRADITIONAL AGRICULTURAL INDUSTRY, THERE IS A NEED TO
17 PROVIDE ECONOMIC AND MARKET DEVELOPMENT ASSISTANCE TO THOSE
18 INDIVIDUALS WHO WISH TO START, CONVERT, OR DIVERSIFY THEIR AGRICULTURAL
19 OPERATIONS, OR TO MAKE IMPROVEMENTS ASSOCIATED WITH ENVIRONMENTAL
20 REGULATIONS AND POTENTIAL MARKET OPPORTUNITIES; AND

21 (6) IT IS A MATTER OF SIGNIFICANT RURAL ECONOMIC DEVELOPMENT
22 IMPORTANCE THAT THE MARYLAND AGRICULTURAL AND RESOURCE-BASED
23 INDUSTRY DEVELOPMENT CORPORATION BE CREATED AND AUTHORIZED TO:

24 (I) DEVELOP AGRICULTURAL INDUSTRIES AND MARKETS;

25 (II) SUPPORT APPROPRIATE COMMERCIALIZATION OF
26 AGRICULTURAL PROCESSES AND TECHNOLOGY; AND

27 (III) ALLEVIATE THE SHORTAGE OF NONTRADITIONAL CAPITAL AND
28 CREDIT AVAILABLE AT AFFORDABLE INTEREST RATES FOR:

29 1. INVESTMENT IN AGRICULTURE TO PROMOTE AND ASSIST
30 AGRICULTURE IN THE STATE;

31 2. THE SALE OF AGRICULTURAL PRODUCTS, COMMODITIES,
32 AND SERVICES; AND

33 3. CAPITAL INVESTMENT IN AGRICULTURAL PROJECTS BY
34 PROVIDING CAPITAL AND CREDIT WITHIN THE FINANCIAL MEANS OF PERSONS
35 ENGAGED IN AGRICULTURE IN THE STATE.

36 ~~13-603.~~ 13-503.

37 (A) THERE IS A MARYLAND AGRICULTURAL AND RESOURCE-BASED INDUSTRY
38 DEVELOPMENT CORPORATION.

1 (B) THE CORPORATION IS:

2 (1) A PUBLIC CORPORATION; AND

3 (2) AN INSTRUMENTALITY OF THE STATE.

4 (C) THE PURPOSE OF THE CORPORATION IS TO:

5 (1) ASSIST THE VIABILITY OF THE STATE'S DIVERSE AGRICULTURAL
6 INDUSTRY THROUGH NEW MARKETS DEVELOPMENT, CAPITAL AND CREDIT
7 ENHANCEMENTS, AND TECHNICAL AND OTHER ASSISTANCE TO SUPPORT, CREATE,
8 AND SUSTAIN AGRICULTURAL BUSINESSES THROUGHOUT THE STATE;

9 (2) PROVIDE FINANCING AND OTHER ASSISTANCE FOR PRODUCT
10 DEVELOPMENT, START-UP AND SCALE-UP OF MARYLAND FOOD- AND
11 FIBER-RELATED GROWING AND PROCESSING OPERATIONS, AND FOR
12 TECHNOLOGICAL ENHANCEMENTS THAT BENEFIT THE ENVIRONMENT AND WATER
13 QUALITY;

14 (3) SEEK PARTNERSHIPS AND LEVERAGING OPPORTUNITIES WITH
15 PUBLIC AND PRIVATE FOR-PROFIT AND NOT-FOR-PROFIT ENTITIES IN MAKING
16 CAPITAL AND CREDIT ASSISTANCE AVAILABLE TO INDIVIDUAL PRODUCERS,
17 PRODUCER COOPERATIVES, AND OTHER AGRIBUSINESS CONCERNS OPERATING IN
18 THE STATE;

19 (4) FACILITATE AND SUPPORT ACCESS TO HIGH QUALITY TECHNICAL
20 RESOURCES FOR AGRICULTURAL ENTREPRENEURS BY INCORPORATING EXISTING
21 SUPPORT INFRASTRUCTURE INCLUDING THE DEVELOPMENT OF STRATEGIC
22 PARTNERING OPPORTUNITIES AND BUSINESS INCUBATION;

23 (5) FOSTER CROSS-INDUSTRY COMMUNICATION AND ASSIST OTHER
24 ORGANIZATIONS IN TRANSFERRING TO THE PRIVATE SECTOR AND
25 COMMERCIALIZING THE RESULTS AND PRODUCTS OF SCIENTIFIC AGRICULTURAL
26 RESEARCH AND DEVELOPMENT CONDUCTED BY THE FEDERAL GOVERNMENT AND
27 COLLEGES AND UNIVERSITIES; AND

28 (6) WORK WITH PUBLIC AND PRIVATE LENDING AND GRANT-MAKING
29 INSTITUTIONS TO:

30 (I) MAKE LOW- AND NO-INTEREST LOANS AND LOAN
31 GUARANTEES AVAILABLE FOR AGRICULTURAL PRODUCT DEVELOPMENT, PRIMARY
32 PROCESSING, AND SECONDARY MANUFACTURING;

33 (II) PROVIDE CREDIT AND CAPITAL TO FIRST-TIME FARMERS FOR
34 LAND, EQUIPMENT, AND WORKING CAPITAL ACQUISITION; AND

35 (III) MAKE INCENTIVES AVAILABLE FOR ACTIVITIES RELATED TO
36 SMALL FARM OR SMALL LANDOWNER VIABILITY AND BEST MANAGEMENT
37 PRACTICES.

1 ~~13-604.~~ 13-504.

2 (A) (1) THERE IS A BOARD OF DIRECTORS OF THE CORPORATION.

3 (2) THE BOARD MANAGES THE CORPORATION AND EXERCISES ALL OF
4 ITS CORPORATE POWERS.

5 (B) THE BOARD CONSISTS OF THE FOLLOWING MEMBERS:

6 (1) AS EX OFFICIO MEMBERS:

7 (I) THE SECRETARY OF AGRICULTURE OR A DESIGNEE OF THE
8 SECRETARY WHO MUST BE A SENIOR-LEVEL DEPARTMENTAL OFFICIAL;

9 (II) THE SECRETARY OF NATURAL RESOURCES OR A DESIGNEE OF
10 THE SECRETARY WHO MUST BE A SENIOR-LEVEL DEPARTMENTAL OFFICIAL;

11 (III) THE SECRETARY OF BUSINESS AND ECONOMIC DEVELOPMENT
12 OR A DESIGNEE OF THE SECRETARY WHO MUST BE A SENIOR-LEVEL
13 DEPARTMENTAL OFFICIAL;

14 (IV) THE EXECUTIVE DIRECTOR OF THE MARYLAND FOOD CENTER
15 AUTHORITY;

16 (V) THE EXECUTIVE DIRECTOR OF THE RURAL MARYLAND
17 COUNCIL; AND

18 (VI) THE DIRECTOR OF THE MARYLAND COOPERATIVE EXTENSION
19 SERVICE; AND

20 (2) ELEVEN INDIVIDUALS APPOINTED BY THE GOVERNOR WITH THE
21 ADVICE AND CONSENT OF THE SENATE AS FOLLOWS:

22 (I) TWO AGRICULTURAL PRODUCERS REPRESENTING AT LEAST
23 TWO DIFFERENT FARM COMMODITY INDUSTRIES IN THE STATE;

24 (II) TWO REPRESENTATIVES FROM COMMERCIAL LENDING
25 INSTITUTIONS SERVING RURAL REGIONS IN THE STATE, ONE OF WHOM MUST
26 REPRESENT A MAJOR FARM CREDIT ORGANIZATION OPERATING IN THE STATE;

27 (III) ONE REPRESENTATIVE OF THE TIMBER AND FOREST
28 PRODUCTS INDUSTRY;

29 (IV) ONE REPRESENTATIVE OF THE AQUACULTURE INDUSTRY;

30 (V) ONE REPRESENTATIVE OF THE COMMERCIAL SEAFOOD
31 HARVESTING AND PROCESSING INDUSTRY;

32 (VI) ONE INDIVIDUAL WITH KNOWLEDGE AND EXPERIENCE IN THE
33 AREA OF OPERATING COMMERCIAL FOOD OR FIBER PROCESSING FACILITIES;

1 (VII) ONE INDIVIDUAL WITH KNOWLEDGE AND EXPERIENCE IN THE
2 AREA OF PUBLIC FINANCE;

3 (VIII) ONE INDIVIDUAL WITH KNOWLEDGE AND EXPERIENCE IN THE
4 AREA OF RURAL ECONOMIC DEVELOPMENT OR AGRICULTURAL MARKETING; AND

5 (IX) ONE INDIVIDUAL WITH KNOWLEDGE ABOUT THE
6 AGRICULTURAL, FORESTRY, OR SEAFOOD INDUSTRIES OR AGRITOURISM IN THE
7 STATE OR WITH SUBSTANTIAL AND RELEVANT ECONOMIC DEVELOPMENT
8 EXPERIENCE.

9 (C) (1) IN APPOINTING BOARD MEMBERS UNDER SUBSECTION (B)(2) OF THIS
10 SECTION, THE GOVERNOR SHALL CONSIDER ALL OF THE GEOGRAPHIC REGIONS OF
11 THE STATE.

12 (2) A BOARD MEMBER MUST BE A RESIDENT OF THE STATE.

13 (3) A BOARD MEMBER:

14 (I) SERVES WITHOUT COMPENSATION; BUT

15 (II) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE
16 STANDARD STATE TRAVEL REGULATIONS AS PROVIDED IN THE STATE BUDGET.

17 (4) THE GOVERNOR MAY REMOVE A BOARD MEMBER FOR
18 INCOMPETENCE, MISCONDUCT, OR FAILURE TO PERFORM THE DUTIES OF THE
19 POSITION.

20 (D) (1) THE TERM OF A BOARD MEMBER APPOINTED UNDER SUBSECTION
21 (B)(2) OF THIS SECTION IS 4 YEARS.

22 (2) THE TERMS OF THE APPOINTED MEMBERS ARE STAGGERED AS
23 REQUIRED BY THE TERMS PROVIDED FOR THE MEMBERS ON JULY 1, 2004.

24 (3) AT THE END OF A TERM, AN APPOINTED MEMBER CONTINUES TO
25 SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

26 (4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES
27 ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND
28 QUALIFIES.

29 (E) THE BOARD SHALL ELECT A CHAIR FROM AMONG ITS MEMBERS.

30 (F) THE BOARD MAY ACT WITH AN AFFIRMATIVE VOTE OF NINE MEMBERS.

31 ~~13-605.~~ 13-505.

32 THE CORPORATION SHALL EMPLOY AN EXECUTIVE DIRECTOR WITH
33 EXPERIENCE AND QUALIFICATIONS RELEVANT TO THE ACTIVITIES AND THE
34 PURPOSES OF THE CORPORATION.

1 ~~43-606.~~ 13-506.

2 THE ATTORNEY GENERAL SHALL SERVE AS LEGAL ADVISOR TO THE
3 CORPORATION.

4 ~~43-607.~~ 13-507.

5 THE CORPORATION MAY:

6 (1) ADOPT BYLAWS;

7 (2) ADOPT A SEAL;

8 (3) MAINTAIN OFFICES AT A PLACE IN THE STATE THAT THE
9 CORPORATION DESIGNATES;

10 (4) APPLY FOR AND ACCEPT LOANS, GRANTS, OR ASSISTANCE IN ANY
11 FORM FROM FEDERAL, STATE, OR LOCAL GOVERNMENTS, COLLEGES OR
12 UNIVERSITIES, OR PRIVATE SOURCES;

13 (5) MAKE, EXECUTE, AND ENTER INTO ANY CONTRACTS OR LEGAL
14 INSTRUMENTS;

15 (6) SUE OR BE SUED;

16 (7) ACQUIRE, CONSTRUCT, DEVELOP, MANAGE, MARKET,
17 MANUFACTURE, LICENSE, SUBLICENSE, RECONSTRUCT, REHABILITATE, IMPROVE,
18 MAINTAIN, EQUIP, LEASE AS A LESSOR OR AS A LESSEE, REPAIR, AND OPERATE ANY
19 PROJECT IN THE STATE TO CARRY OUT THE PURPOSES OF THE CORPORATION;

20 (8) ACQUIRE, PURCHASE, HOLD, LEASE AS A LESSEE, AND USE A
21 FRANCHISE, PATENT, OR LICENSE AND REAL, PERSONAL, MIXED, OR TANGIBLE OR
22 INTANGIBLE PROPERTY, OR ANY INTEREST IN PROPERTY;

23 (9) SELL, LEASE AS A LESSOR, TRANSFER, LICENSE, SUBLICENSE,
24 ASSIGN, AND DISPOSE OF ANY PROPERTY OR INTEREST IN PROPERTY, NECESSARY OR
25 CONVENIENT TO CARRY OUT ITS PURPOSES;

26 (10) ACQUIRE, DIRECTLY OR INDIRECTLY, BY PURCHASE, GIFT, OR
27 DEVISE, LAND, REAL OR PERSONAL PROPERTY, RIGHTS, RIGHTS-OF-WAY,
28 FRANCHISES, EASEMENTS, AND OTHER INTERESTS IN LAND, INCLUDING LAND
29 LYING UNDER WATER AND RIPARIAN RIGHTS, LOCATED IN OR OUTSIDE THE STATE
30 AS NECESSARY OR CONVENIENT TO CONSTRUCT, IMPROVE, REHABILITATE, OR
31 OPERATE A PROJECT, ON TERMS AND AT PRICES THE CORPORATION CONSIDERS
32 REASONABLE;

33 (11) FIX, REVISE, AND COLLECT RATES, RENTALS, FEES, ROYALTIES, AND
34 CHARGES FOR THE USE OF OR FOR SERVICES AND RESOURCES PROVIDED OR MADE
35 AVAILABLE BY THE CORPORATION;

1 (12) MAKE GRANTS TO OR PROVIDE EQUITY INVESTMENT FINANCING
2 FOR AGRICULTURAL AND RESOURCE-BASED BUSINESSES;

3 (13) ENGAGE ANY NECESSARY ACCOUNTANTS, ENGINEERS, FINANCIAL
4 ADVISORS, AND OTHER CONSULTANTS;

5 (14) WITH THE APPROVAL OF THE ATTORNEY GENERAL, ENGAGE ANY
6 NECESSARY LAWYERS;

7 (15) CREATE, OWN, CONTROL, OR BE A MEMBER OF, A CORPORATION,
8 LIMITED LIABILITY COMPANY, PARTNERSHIP, OR OTHER ENTITY, WHETHER
9 OPERATED FOR PROFIT OR NOT FOR PROFIT;

10 (16) ENTER INTO A PROJECT WITH A MANUFACTURER TO CARRY OUT THE
11 PURPOSES OF THE CORPORATION;

12 (17) EXERCISE A POWER USUALLY POSSESSED BY A PRIVATE
13 CORPORATION IN PERFORMING SIMILAR FUNCTIONS UNLESS TO DO SO WOULD
14 CONFLICT WITH THE LAWS OF THE STATE; AND

15 (18) DO ANYTHING NECESSARY OR CONVENIENT TO CARRY OUT THE
16 POWERS GRANTED BY THIS SUBTITLE.

17 ~~43-608.~~ 13-508.

18 THE CORPORATION MAY:

19 (1) SUBJECT TO THE RIGHTS OF HOLDERS OF BONDS OF THE
20 CORPORATION:

21 (I) RENEGOTIATE, REFINANCE, OR FORECLOSE ON ANY
22 MORTGAGE, SECURITY INTEREST, OR LIEN;

23 (II) COMMENCE ANY ACTION TO PROTECT OR ENFORCE ANY RIGHT
24 OR BENEFIT CONFERRED ON THE CORPORATION BY ANY LAW, MORTGAGE, SECURITY
25 INTEREST, LIEN, CONTRACT, OR OTHER AGREEMENT; AND

26 (III) BID FOR AND PURCHASE PROPERTY AT ANY FORECLOSURE OR
27 AT ANY OTHER SALE OR OTHERWISE ACQUIRE OR TAKE POSSESSION OF ANY
28 PROPERTY, IN WHICH CASE THE CORPORATION MAY COMPLETE, ADMINISTER, PAY
29 THE PRINCIPAL OF ANY INTEREST ON ANY OBLIGATION INCURRED IN CONNECTION
30 WITH THE PROPERTY, DISPOSE OF AND OTHERWISE DEAL WITH THE PROPERTY IN
31 ANY MANNER NECESSARY OR DESIRABLE TO PROTECT THE INTEREST OF THE
32 CORPORATION OR THE HOLDERS OF ITS BONDS IN THE PROPERTY;

33 (2) PROCURE OR PROVIDE FOR THE PROCUREMENT OF INSURANCE OR
34 REINSURANCE AGAINST ANY LOSS IN CONNECTION WITH ITS PROPERTY OR
35 OPERATIONS, INCLUDING INSURANCE, REINSURANCE, OR OTHER GUARANTEES
36 FROM ANY FEDERAL OR STATE GOVERNMENTAL UNIT OR PRIVATE INSURANCE
37 COMPANY FOR THE PAYMENT OF ANY BONDS ISSUED BY THE CORPORATION, OR

1 BONDS, NOTES OR ANY OTHER OBLIGATIONS OR EVIDENCES OF INDEBTEDNESS
2 ISSUED OR MADE BY ANY LENDING INSTITUTION OR OTHER ENTITY OR PERSON, OR
3 INSURANCE OR REINSURANCE AGAINST LOSS WITH RESPECT TO AGRICULTURAL
4 LOANS, MORTGAGES OR MORTGAGE LOANS, OR ANY OTHER TYPE OF LOANS,
5 INCLUDING THE POWER TO PAY PREMIUMS ON THE INSURANCE OR REINSURANCE;

6 (3) INSURE, CO-INSURE, REINSURE, OR CAUSE TO BE INSURED,
7 CO-INSURED, OR REINSURED, AGRICULTURAL LOANS, MORTGAGE LOANS OR
8 MORTGAGES, OR ANY OTHER TYPE OF LOANS AND PAY OR RECEIVE PREMIUMS ON
9 THE INSURANCE, CO-INSURANCE, OR REINSURANCE, AND ESTABLISH RESERVES
10 FOR LOSSES, AND PARTICIPATE IN THE INSURANCE, CO-INSURANCE, OR
11 REINSURANCE OF AGRICULTURAL LOANS, MORTGAGE LOANS OR MORTGAGES, OR
12 ANY OTHER TYPE OF LOANS WITH THE FEDERAL OR STATE GOVERNMENT OR ANY
13 PRIVATE INSURANCE COMPANY;

14 (4) UNDERTAKE AND CARRY OUT OR AUTHORIZE THE COMPLETION OF
15 STUDIES AND ANALYSES OF AGRICULTURAL CONDITIONS AND NEEDS IN THE STATE
16 AND NEEDS RELATING TO THE PROMOTION OF AGRICULTURAL INDUSTRIES AND
17 WAYS OF MEETING THOSE NEEDS, AND MAKE THE STUDIES AND ANALYSES
18 AVAILABLE TO THE PUBLIC AND TO THE AGRICULTURAL INDUSTRIES, AND TO
19 ENGAGE IN RESEARCH OR DISSEMINATE INFORMATION ON AGRICULTURE AND
20 AGRICULTURAL MARKETING AND PROMOTION;

21 (5) ACCEPT FEDERAL, STATE, OR PRIVATE FINANCIAL OR TECHNICAL
22 ASSISTANCE AND COMPLY WITH ANY CONDITIONS FOR THAT ASSISTANCE THAT ARE
23 NOT IN CONFLICT WITH THE INTENT OF THIS SUBTITLE;

24 (6) ESTABLISH AND COLLECT FEES AND CHARGES IN CONNECTION
25 WITH ITS LOANS, DEPOSITS, INSURANCE COMMITMENTS, AND SERVICES, INCLUDING
26 REIMBURSEMENT OF COSTS OF ISSUING BONDS, ORIGINATION AND SERVICING
27 FEES, AND INSURANCE PREMIUMS;

28 (7) MAKE LOANS TO OR DEPOSITS WITH LENDING INSTITUTIONS AND
29 PURCHASE OR SELL AGRICULTURAL LOANS;

30 (8) ACQUIRE OR CONTRACT TO ACQUIRE FROM ANY PERSON, BY GRANT,
31 PURCHASE, OR OTHERWISE, MOVABLE OR IMMOVABLE PROPERTY OR ANY INTEREST
32 IN PROPERTY;

33 (9) OWN, HOLD, CLEAR, IMPROVE, LEASE, CONSTRUCT, OR
34 REHABILITATE, AND SELL, INVEST, ASSIGN, EXCHANGE, TRANSFER, CONVEY, LEASE,
35 MORTGAGE, OR OTHERWISE DISPOSE OF OR ENCUMBER PROPERTY, SUBJECT TO THE
36 RIGHTS OF HOLDERS OF THE BONDS OF THE CORPORATION, AT PUBLIC OR PRIVATE
37 SALE, WITH OR WITHOUT PUBLIC BIDDING;

38 (10) BORROW MONEY, ISSUE BONDS, AND PROVIDE FOR THE RIGHTS OF
39 THE LENDERS OR HOLDER THEREOF AND PURCHASE, DISCOUNT, SELL, NEGOTIATE
40 AND GUARANTEE, INSURE, CO-INSURE AND REINSURE NOTES, DRAFTS, CHECKS,
41 BILLS OF EXCHANGE, ACCEPTANCES, BANKERS' ACCEPTANCES, CABLE TRANSFERS,
42 LETTERS OF CREDIT, AND OTHER EVIDENCE OF INDEBTEDNESS;

1 (11) SUBJECT TO THE RIGHTS OF HOLDERS OF THE BONDS OF THE
2 CORPORATION, CONSENT TO ANY MODIFICATION WITH RESPECT TO THE RATE OF
3 INTEREST, TIME, PAYMENT OF ANY INSTALLMENT OF PRINCIPAL OR INTEREST,
4 SECURITY, OR ANY OTHER TERM OR CONDITION OF ANY LOAN, CONTRACT,
5 MORTGAGE, MORTGAGE LOAN, OR COMMITMENT OR AGREEMENT OF ANY KIND TO
6 WHICH THE CORPORATION IS A PARTY OR BENEFICIARY; AND

7 (12) ISSUE REVENUE BONDS UNDER § 13-610 OF THIS SUBTITLE.

8 ~~13-609~~; 13-509.

9 (A) (1) THE CORPORATION MAY PURCHASE OR CONTRACT TO PURCHASE
10 AND SELL OR CONTRACT TO SELL AGRICULTURAL LOANS MADE BY LENDING
11 INSTITUTIONS, AT THE PRICES AND ON THE TERMS AND CONDITIONS THAT IT
12 DETERMINES.

13 (2) A LENDING INSTITUTION MAY PURCHASE AND SELL AGRICULTURAL
14 LOANS TO THE CORPORATION IN ACCORDANCE WITH THE PROVISIONS OF THIS
15 SECTION.

16 (B) (1) THE CORPORATION MAY MAKE, OR CONTRACT TO MAKE, LOANS TO
17 AND DEPOSITS WITH LENDING INSTITUTIONS AT INTEREST RATES, TERMS, AND
18 CONDITIONS THAT IT DETERMINES.

19 (2) A LENDING INSTITUTION MAY BORROW FUNDS AND ACCEPT
20 DEPOSITS FROM THE CORPORATION IN ACCORDANCE WITH THIS SUBTITLE AND THE
21 BYLAWS OF THE CORPORATION.

22 (3) THE CORPORATION SHALL REQUIRE THAT ALL PROCEEDS OF ITS
23 LOANS TO OR DEPOSITS WITH LENDING INSTITUTIONS, OR AN EQUIVALENT
24 AMOUNT, SHALL BE USED BY THE LENDING INSTITUTIONS TO MAKE AGRICULTURAL
25 LOANS, SUBJECT TO TERMS AND CONDITIONS THAT THE CORPORATION MAY
26 PRESCRIBE.

27 (C) THE CORPORATION MAY INSURE AND REINSURE AGRICULTURAL LOANS
28 MADE BY LENDING INSTITUTIONS, SUBJECT TO THE TERMS, CONDITIONS,
29 LIMITATIONS, COLLATERAL AND SECURITY PROVISIONS, AND RESERVE
30 REQUIREMENTS DETERMINED BY THE CORPORATION IN ACCORDANCE WITH THE
31 BYLAWS OF THE CORPORATION.

32 (D) UNLESS OTHERWISE DETERMINED BY THE CORPORATION,
33 AGRICULTURAL LOANS SHALL BE INSURED TO THE AMOUNT OF 100% OF THE UNPAID
34 PRINCIPAL AND INTEREST ON EACH LOAN.

35 (E) AN INSURED AGRICULTURAL LOAN IS IN DEFAULT WHEN THE HOLDER OF
36 THE LOAN APPLIES TO THE CORPORATION FOR PAYMENT OF INSURANCE ON THE
37 LOAN STATING THAT THE LOAN IS IN DEFAULT IN ACCORDANCE WITH THE TERMS
38 OF ANY AGREEMENT WITH RESPECT TO THE INSURANCE EXECUTED IN
39 ACCORDANCE WITH THIS SECTION.

1 (F) THE CORPORATION MAY ENTER INTO AGREEMENTS WITH ANY PERSON,
2 LENDING INSTITUTION, OR HOLDER OF AN INSURED AGRICULTURAL LOAN ON
3 TERMS THAT MAY BE AGREED ON BETWEEN THE CORPORATION AND THE PERSON,
4 LENDING INSTITUTION, OR HOLDER, TO:

5 (1) PROVIDE FOR THE ADMINISTRATION, APPLICATIONS, AND
6 REPAYMENT OF THE LOAN; AND

7 (2) ESTABLISH THE CONDITIONS FOR PAYMENT OF INSURANCE BY THE
8 CORPORATION, AND THE SERVICING, SUIT ON, OR FORECLOSURE OF THE LOAN.

9 (G) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE
10 AGGREGATE VALUE OF ALL AGRICULTURAL LOANS INSURED BY THE CORPORATION
11 AND OUTSTANDING AT ANY ONE TIME MAY NOT EXCEED 20 TIMES THE TOTAL VALUE
12 OF FUNDS, INVESTMENTS, PROPERTIES, AND OTHER ASSETS OF THE CORPORATION.

13 (2) THE AGGREGATE VALUE OF AGRICULTURAL LOANS INSURED AND
14 OUTSTANDING MAY BE FURTHER EXPANDED BY USE OF FEDERAL, STATE, OR
15 PRIVATE LOAN INSURANCE, REINSURANCE, OR GUARANTEES OF WHICH THE
16 CORPORATION IS OR SHALL BECOME THE BENEFICIARY.

17 ~~13-610.~~ 13-510.

18 (A) THE CORPORATION MAY PROVIDE BY RESOLUTION FOR THE ISSUANCE AT
19 ONE TIME, OR IN SERIES FROM TIME TO TIME, OF REVENUE BONDS OF THE
20 CORPORATION TO FINANCE OR REFINANCE ALL OR A PART OF THE COSTS OF A
21 PROJECT, AND FOR OTHER PURPOSES OF THE CORPORATION STATED IN THIS
22 SUBTITLE.

23 (B) (1) THE BONDS SHALL BE DATED, SHALL BEAR INTEREST AT A RATE OR
24 RATES, AND SHALL MATURE AT A TIME OR TIMES NOT EXCEEDING 40 YEARS FROM
25 THE DATE OR DATES OF THEIR RESPECTIVE ISSUES, AS THE CORPORATION MAY
26 DETERMINE, AND MAY BE SOLD AT THE PRICE OR PRICES AND UNDER THE TERMS
27 AND CONDITIONS FIXED BY THE CORPORATION BEFORE ISSUING THE BONDS.

28 (2) THE PROCEEDS OF ANY BONDS MAY BE PLACED IN ESCROW
29 PENDING APPLICATION OF THE PROCEEDS TO THE PURPOSES FOR WHICH THE
30 BONDS ARE ISSUED.

31 (C) (1) (I) THE BONDS MAY NOT BE DEEMED TO CONSTITUTE A DEBT,
32 LIABILITY, OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OR OF ANY
33 POLITICAL SUBDIVISION OF THE STATE OTHER THAN THE CORPORATION.

34 (II) THE BONDS SHALL BE PAYABLE SOLELY FROM THE FUNDS
35 PROVIDED IN THIS SECTION.

36 (2) ALL BONDS OF THE CORPORATION SHALL CONTAIN ON THEIR FACE
37 A STATEMENT TO THE EFFECT THAT:

1 (I) NEITHER THE STATE NOR ANY POLITICAL SUBDIVISION OF THE
2 STATE OTHER THAN THE CORPORATION SHALL BE OBLIGATED TO PAY THE BOND OR
3 THE INTEREST ON THE BOND EXCEPT FROM REVENUES PLEDGED TO THE BOND;
4 AND

5 (II) NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING
6 POWER OF THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE IS PLEDGED
7 TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE BONDS.

8 (3) (I) THE ISSUANCE OF A BOND UNDER THIS SUBTITLE IS NOT
9 DIRECTLY OR INDIRECTLY OR CONTINGENTLY AN OBLIGATION, MORAL OR OTHER,
10 OF THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE TO LEVY OR PLEDGE
11 ANY FORM OF TAXATION FOR THE BOND OR TO MAKE ANY APPROPRIATION FOR
12 PAYMENT OF THE BOND.

13 (II) NOTHING IN THIS SECTION MAY PREVENT THE CORPORATION
14 FROM PLEDGING THE FULL FAITH AND CREDIT OF THE CORPORATION TO THE
15 PAYMENT OF A BOND AUTHORIZED UNDER THIS SUBTITLE.

16 (III) THIS SECTION DOES NOT LIMIT THE ABILITY OF THE STATE OR
17 A SUBDIVISION OF THE STATE TO SET, IMPOSE, OR COLLECT AN ASSESSMENT, RATE,
18 FEE, OR CHARGE TO PAY TO THE CORPORATION THE COST OF A PROJECT, INCLUDING
19 THE PRINCIPAL OF AND INTEREST ON A BOND, UNDER AN AGREEMENT BETWEEN
20 THE CORPORATION AND THE STATE OR POLITICAL SUBDIVISION.

21 (D) THE CORPORATION SHALL DETERMINE:

22 (1) THE FORM OF THE BONDS;

23 (2) THE MANNER OF EXECUTING THE BONDS;

24 (3) THE DENOMINATION OR DENOMINATIONS OF THE BONDS; AND

25 (4) THE PLACE OR PLACES OF PAYMENT OF PRINCIPAL AND INTEREST,
26 WHICH MAY BE A BANK OR TRUST COMPANY IN OR OUTSIDE THE STATE.

27 (E) (1) THE BONDS SHALL BE EXECUTED IN THE MANNER DETERMINED BY
28 THE CORPORATION.

29 (2) THE BONDS MAY BE EXECUTED BY FACSIMILE SIGNATURE.

30 (3) IF ANY OFFICER WHOSE SIGNATURE APPEARS ON A BOND CEASES
31 TO HOLD THAT OFFICE BEFORE THE BONDS ARE DELIVERED, THE SIGNATURE OF
32 THE OFFICER REMAINS VALID AND SUFFICIENT FOR ALL PURPOSES, AS IF THE
33 OFFICER HAD REMAINED IN OFFICE UNTIL DELIVERY.

34 (F) (1) ALL BONDS ISSUED UNDER THIS SECTION ARE NEGOTIABLE
35 INSTRUMENTS UNDER THE LAWS OF THE STATE.

36 (2) PROVISION MAY BE MADE FOR THE REGISTRATION OF BONDS.

1 (G) (1) THE BONDS SHALL BE SOLD BY THE CORPORATION, AT PUBLIC OR
2 PRIVATE SALE, IN A MANNER AND FOR A PRICE AS THE CORPORATION MAY
3 DETERMINE.

4 (2) BONDS AUTHORIZED UNDER THIS SECTION ARE EXEMPT FROM §§
5 8-206 AND 8-208 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

6 (H) (1) (I) THE CORPORATION MAY PROVIDE FOR THE ISSUANCE OF ITS
7 BONDS TO REFUNDING ANY OUTSTANDING BONDS, INCLUDING THE PAYMENT OF
8 ANY REDEMPTION PREMIUM AND ANY INTEREST ACCRUED OR ACCRUING TO A
9 LATER DATE OF REDEMPTION, PURCHASE, OR MATURITY OF THE BONDS, AND, IF THE
10 CORPORATION DETERMINES IT ADVISABLE, FOR THE ADDITIONAL PURPOSE OF
11 PAYING ALL OR ANY PART OF THE COST OF A PROJECT.

12 (II) REFUNDING BONDS MAY BE ISSUED BY THE CORPORATION FOR
13 ANY CORPORATE PURPOSE, INCLUDING THE PUBLIC PURPOSES OF REALIZING
14 SAVINGS IN THE EFFECTIVE COSTS OF DEBT SERVICE, DIRECTLY OR THROUGH A
15 DEBT RESTRUCTURING, OR ALLEVIATING AN IMPENDING OR ACTUAL DEFAULT, OR
16 RELIEVING THE CORPORATION OF CONTRACTUAL AGREEMENTS WHICH, IN THE
17 OPINION OF THE CORPORATION, HAVE BECOME UNREASONABLY ONEROUS,
18 IMPRACTICABLE, OR IMPOSSIBLE TO PERFORM.

19 (III) REFUNDING BONDS IN ONE OR MORE SERIES MAY BE ISSUED
20 IN AN AMOUNT IN EXCESS OF THAT OF THE BONDS TO BE REFUNDED.

21 (IV) REFUNDING BONDS MAY BE PAYABLE FROM:

- 22 1. ESCROWED BOND PROCEEDS;
- 23 2. INTEREST, INCOME, AND PROFITS, IF ANY, ON
24 INVESTMENTS; AND
- 25 3. ANY OTHER SOURCE.

26 (V) THESE SOURCES MAY BE IN ADDITION TO OTHER LAWFUL USES
27 AND SHALL CONSTITUTE REVENUES OF A PROJECT UNDER THIS SUBTITLE.

28 (2) THE PROCEEDS OF BONDS ISSUED FOR THE PURPOSE OF
29 REFUNDING OUTSTANDING BONDS MAY, IN THE DISCRETION OF THE CORPORATION,
30 BE APPLIED TO THE PURCHASE OR RETIREMENT AT MATURITY OR REDEMPTION OF
31 THE OUTSTANDING BONDS ON ANY SUBSEQUENT REDEMPTION DATE, AND MAY,
32 PENDING THAT APPLICATION, BE PLACED IN ESCROW TO BE APPLIED TO THE
33 PURCHASE OR RETIREMENT AT MATURITY OR REDEMPTION ON A DATE
34 DETERMINED BY THE CORPORATION.

35 (3) (I) ANY ESCROWED BOND PROCEEDS, PENDING APPLICATION,
36 MAY BE INVESTED AND REINVESTED IN INVESTMENTS AND OTHER OBLIGATIONS
37 MATURING AT A TIME OR TIMES APPROPRIATE TO ASSURE THE PROMPT PAYMENT,
38 AS TO PRINCIPAL, INTEREST, AND REDEMPTION PREMIUM, IF ANY, OF THE
39 OUTSTANDING BONDS TO BE REFUNDED.

1 (II) THE INVESTMENT OF THE BOND PROCEEDS SHALL BE:

2 1. DETERMINED BY THE CORPORATION; OR

3 2. IF THE PROCEEDS OF THE BONDS ARE BEING LOANED BY
4 THE CORPORATION TO A PERSON UNDER SUBSECTION (K) OF THIS SECTION,
5 DETERMINED BY THE PERSON.

6 (III) THE INTEREST, INCOME, AND PROFITS, IF ANY, EARNED OR
7 REALIZED ON THE INVESTMENTS OR OTHER OBLIGATIONS MAY ALSO BE APPLIED TO
8 THE PAYMENT OF THE OUTSTANDING BONDS TO BE REFUNDED.

9 (IV) AFTER THE TERMS OF THE ESCROW HAVE BEEN FULLY
10 SATISFIED AND CARRIED OUT, ANY BALANCE OF THE PROCEEDS AND INTEREST,
11 INCOME, AND PROFITS, IF ANY, EARNED OR REALIZED ON THE INVESTMENTS OR
12 OTHER OBLIGATIONS MAY BE RETURNED TO THE CORPORATION OR THE PERSON
13 BEING LOANED THE PROCEEDS OF THE BONDS FOR USE IN ANY LAWFUL MANNER.

14 (I) (1) THE PORTION OF THE PROCEEDS OF ANY BONDS ISSUED FOR THE
15 PURPOSE OF PAYING ALL OR ANY PART OF THE COST OF A PROJECT MAY BE
16 INVESTED AND REINVESTED IN INVESTMENTS AND ANY OTHER OBLIGATIONS
17 MATURING NOT LATER THAN THE TIME OR TIMES WHEN THE PROCEEDS WILL BE
18 NEEDED FOR THE PURPOSE OF PAYING ALL OR ANY PART OF THE COST OF THE
19 PROJECT.

20 (2) THE INVESTMENT OF BOND PROCEEDS SHALL BE DETERMINED:

21 (I) BY THE CORPORATION; OR

22 (II) IF THE CORPORATION IS LOANING THE PROCEEDS TO A
23 PERSON UNDER SUBSECTION (K) OF THIS SECTION, BY THE PERSON.

24 (3) THE INTEREST, INCOME, AND PROFITS, IF ANY, EARNED OR
25 REALIZED ON THE INVESTMENTS OR OTHER OBLIGATIONS MAY BE APPLIED TO THE
26 PAYMENT OF ALL OR ANY PART OF THE COST OR MAY BE USED BY THE
27 CORPORATION OR THE PERSON BEING LOANED THE PROCEEDS OF THE BONDS IN
28 ANY LAWFUL MANNER.

29 (J) (1) THE CORPORATION MAY PLEDGE OR ASSIGN ALL OR ANY PORTION
30 OF ITS REVENUES, ITS RIGHTS TO RECEIVE THEM, OR MONEYS AND SECURITIES IN
31 THE FUNDS AND ACCOUNTS ESTABLISHED TO SECURE ITS BONDS AND ANY LIEN OR
32 SECURITY INTEREST GRANTED OR ASSIGNMENT MADE BY THE CORPORATION.

33 (2) ANY PLEDGE OR ASSIGNMENT SHALL BE:

34 (I) VALID AND BINDING AGAINST ANY PERSON HAVING A CLAIM OF
35 ANY KIND AGAINST THE CORPORATION, IN CONTRACT, TORT, OR OTHERWISE,
36 REGARDLESS OF WHETHER THE PERSON HAS NOTICE; AND

37 (II) PRIOR TO THE CLAIM.

1 (3) NO RESOLUTION, TRUST INDENTURE, ASSIGNMENT, FINANCING
2 AGREEMENT, OR OTHER INSTRUMENT CREATING A LIEN ON, SECURITY INTEREST IN,
3 OR ASSIGNMENT OF ANY REVENUES, ITS RIGHTS TO RECEIVE REVENUES OR MONEYS
4 AND SECURITIES IN THE FUNDS AND ACCOUNTS PLEDGED TO BONDS OF THE
5 CORPORATION NEED BE FILED OR RECORDED EXCEPT IN THE RECORDS OF THE
6 CORPORATION.

7 (K) (1) THE CORPORATION MAY:

8 (I) LEND OR OTHERWISE MAKE AVAILABLE THE PROCEEDS OF ITS
9 BONDS TO ANY PERSON IN ORDER TO FINANCE OR REFINANCE THE COSTS OF ANY
10 PROJECT; AND

11 (II) ENTER INTO FINANCING AGREEMENTS, MORTGAGES, AND
12 OTHER INSTRUMENTS THAT THE CORPORATION DETERMINES TO BE NECESSARY OR
13 DESIRABLE TO EVIDENCE OR SECURE THE LOAN.

14 (2) IF ANY PROJECT IS LEASED TO ANY PERSON, THE LEASE MAY
15 PROVIDE THAT THE LESSEE OR ANOTHER PERSON MAY OR SHALL PURCHASE OR
16 OTHERWISE ACQUIRE THE PROJECT FOR CONSIDERATION, WHICH MAY BE NOMINAL,
17 AS THE CORPORATION MAY ESTABLISH:

18 (I) ON THE PAYMENT OF THE BONDS THAT FINANCED OR
19 REFINANCED THE COST OF THE PROJECT AND INTEREST ON THE BONDS; OR

20 (II) ON PROVISION FOR PAYMENT THAT IS SATISFACTORY TO THE
21 CORPORATION.

22 (L) (1) (I) AT THE DISCRETION OF THE CORPORATION, THE BONDS MAY
23 BE SECURED BY A TRUST INDENTURE BY AND BETWEEN THE CORPORATION AND
24 CORPORATE TRUSTEE, WHICH MAY BE ANY TRUST COMPANY OR BANK THAT HAS
25 THE POWERS OF A TRUST COMPANY IN OR OUTSIDE THE STATE.

26 (II) EITHER THE RESOLUTION PROVIDING FOR THE ISSUANCE OF
27 BONDS OR THE TRUST INDENTURE MAY CONTAIN PROVISIONS FOR PROTECTING
28 AND ENFORCING THE RIGHTS AND REMEDIES OF THE BONDHOLDERS, INCLUDING
29 COVENANTS STATING THE DUTIES OF THE CORPORATION IN RELATION TO THE
30 CUSTODY, SAFEGUARDING, AND APPLICATION OF ALL MONEYS.

31 (III) A CORPORATION OR TRUST COMPANY INCORPORATED UNDER
32 THE LAWS OF THE STATE MAY:

33 1. ACT AS DEPOSITORY OF THE PROCEEDS OF THE BONDS OR
34 REVENUES; AND

35 2. FURNISH ANY INDEMNITY BONDS OR PLEDGE ANY
36 SECURITIES THAT THE CORPORATION REQUIRES.

1 (2) (I) THE RESOLUTION OR TRUST INDENTURE MAY SET FORTH THE
2 RIGHTS AND REMEDIES OF THE BONDHOLDERS AND OF ANY TRUSTEE, AND MAY
3 RESTRICT THE INDIVIDUAL RIGHT OF ACTION OF BONDHOLDERS.

4 (II) THE CORPORATION MAY PROVIDE BY RESOLUTION OR BY THE
5 TRUST INDENTURE FOR:

6 1. THE PAYMENT OF THE PROCEEDS OF THE SALE OF THE
7 BONDS AND THE REVENUES OF THE CORPORATION TO AN OFFICER, BOARD, OR
8 DEPOSITORY THAT THE CORPORATION DETERMINES FOR THEIR CUSTODY; AND

9 2. THE METHOD OF DISBURSEMENT, WITH SAFEGUARDS
10 AND RESTRICTIONS THAT THE CORPORATION DETERMINES.

11 (III) ALL EXPENSES INCURRED IN CARRYING OUT ANY TRUST
12 INDENTURE MAY BE TREATED AS A PART OF THE COST OF OPERATION OF THE
13 CORPORATION.

14 ~~13-611.~~

15 ~~(A) THE STATE TREASURER MAY ADVANCE TO THE CORPORATION AN
16 AMOUNT NOT EXCEEDING \$250,000 FOR THE INITIAL EXPENSES OF THE
17 CORPORATION.~~

18 ~~(B) THE CORPORATION SHALL REPAY THE ADVANCE OUT OF THE FIRST
19 MONEYS AVAILABLE TO THE CORPORATION FROM ITS REVENUES.~~

20 ~~(C) THE REPAYMENT SHALL BE MADE AT A RATE OF INTEREST THAT IS
21 CONSISTENT WITH SIMILAR STATE INVESTMENTS.~~

22 ~~13-612. 13-511.~~

23 THE BOOKS AND RECORDS OF THE CORPORATION ARE SUBJECT TO AUDIT:

24 (1) BY THE STATE AT ITS DISCRETION; AND

25 (2) EACH YEAR BY AN INDEPENDENT AUDITOR APPROVED BY THE
26 OFFICE OF LEGISLATIVE AUDITS.

27 ~~13-613. 13-512.~~

28 (A) WITHIN 90 DAYS AFTER THE START OF EACH FISCAL YEAR, THE
29 CORPORATION SHALL REPORT ON ITS STATUS TO THE GOVERNOR, THE MARYLAND
30 AGRICULTURAL COMMISSION, THE MARYLAND ECONOMIC DEVELOPMENT
31 COMMISSION, AND SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO
32 THE GENERAL ASSEMBLY.

33 (B) THE REPORT SHALL STATE THE COMPLETE OPERATING AND FINANCIAL
34 STATEMENT COVERING THE CORPORATION'S OPERATIONS AND SUMMARIZE THE
35 CORPORATION'S ACTIVITIES DURING THE PRECEDING FISCAL YEAR.

1 ~~43-614.~~ 13-513.

2 (A) THE CORPORATION IS EXEMPT FROM:

3 (1) STATE AND LOCAL TAXES;

4 (2) TITLE 10 AND DIVISION II OF THE STATE FINANCE AND
5 PROCUREMENT ARTICLE;

6 (3) LAWS GOVERNING THE STATE PERSONNEL MANAGEMENT SYSTEM
7 UNDER DIVISION I OF THE STATE PERSONNEL AND PENSIONS ARTICLE;

8 (4) TITLE 10, SUBTITLE 5 OF THE STATE GOVERNMENT ARTICLE; AND

9 (5) ARTICLE 31, §§ 9, 10, AND 11 OF THE CODE.

10 (B) THE CORPORATION, ITS BOARD OF DIRECTORS, AND EMPLOYEES ARE
11 SUBJECT TO:

12 (1) THE PUBLIC ETHICS LAW, TITLE 15 OF THE STATE GOVERNMENT
13 ARTICLE; AND

14 (2) THE PUBLIC INFORMATION ACT, TITLE 10, SUBTITLE 6 OF THE STATE
15 GOVERNMENT ARTICLE.

16 (C) (1) THE CORPORATION ~~SHALL~~ MAY RECEIVE ANNUAL FUNDING
17 THROUGH AN APPROPRIATION IN THE STATE BUDGET.

18 (2) THE CORPORATION MAY ALSO RECEIVE FUNDS FOR PROJECTS
19 INCLUDED IN THE BUDGETS OF STATE UNITS.

20 (3) ALL UNEXPENDED AND UNENCUMBERED FUNDS APPROPRIATED TO
21 THE CORPORATION SHALL REMAIN WITH THE CORPORATION FOR FUTURE USES.

22 (4) THE CORPORATION SHALL CONDUCT ITS FINANCIAL AFFAIRS IN
23 SUCH A MANNER THAT, BY THE YEAR 2020, IT SHALL BE SELF-SUFFICIENT AND IN NO
24 FURTHER NEED OF GENERAL OPERATING SUPPORT BY THE STATE.

25 (D) THE DEPARTMENT OF AGRICULTURE, THE DEPARTMENT OF NATURAL
26 RESOURCES, THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT, THE
27 MARYLAND FOOD CENTER AUTHORITY, THE MARYLAND ECONOMIC DEVELOPMENT
28 CORPORATION, THE MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION, THE
29 RURAL MARYLAND COUNCIL, AND MARYLAND COOPERATIVE EXTENSION SERVICE
30 MAY PROVIDE TECHNICAL AND OTHER SUPPORT TO THE CORPORATION.

31 (E) EACH UNIT IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT AND
32 EACH INSTITUTION OF HIGHER EDUCATION IN THE STATE MAY WORK WITH THE
33 CORPORATION ON MATTERS RELATING TO THE UNIT.

1 (F) EACH COUNTY, MUNICIPAL CORPORATION, AND REGIONAL PLANNING
 2 AND DEVELOPMENT COUNCIL IN THE STATE MAY WORK WITH THE CORPORATION
 3 ON MATTERS RELATING TO THE POLITICAL SUBDIVISION OR ENTITY.

4 ~~13-615.~~ 13-514.

5 (A) ALL DEBTS, CLAIMS, OBLIGATIONS, AND LIABILITIES OF THE
 6 CORPORATION, WHENEVER INCURRED, SHALL BE THE DEBTS, CLAIMS,
 7 OBLIGATIONS, AND LIABILITIES OF THE CORPORATION ONLY AND NOT OF THE
 8 STATE, UNITS OF STATE GOVERNMENT, OTHER STATE INSTRUMENTALITIES, OR
 9 STATE OFFICERS OR EMPLOYEES.

10 (B) THE DEBTS, CLAIMS, OBLIGATIONS, AND LIABILITIES OF THE
 11 CORPORATION MAY NOT BE CONSIDERED A DEBT OF THE STATE OR A PLEDGE OF ITS
 12 CREDIT.

13 ~~13-616.~~ 13-515.

14 THIS SUBTITLE SHALL BE LIBERALLY CONSTRUED TO CARRY OUT ITS
 15 PURPOSES.

16 **~~Chapter 304 of the Acts of 1999~~**

17 ~~SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect~~
 18 ~~July 1, 1999. It shall remain effective for a period of [5] 11 years and, at the end of~~
 19 ~~June 30, [2004] 2010, with no further action required by the General Assembly, this~~
 20 ~~Act shall be abrogated and of no further force and effect.~~

21 ~~SECTION 3. 2.~~ AND BE IT FURTHER ENACTED, That the initial terms of the
 22 members of the board of directors of the Maryland Agricultural and Resource-Based
 23 Industry Development Corporation appointed under Article 41, § 13-604(b)(2) of the
 24 Code, as enacted by Section ~~2~~ 1 of this Act, expire as follows:

25 (1) 3 members in 2008;

26 (2) 3 members in 2007;

27 (3) 3 members in 2006;

28 (4) 2 members in 2005.

29 SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the
 30 General Assembly that State funding for the corporation should be provided within
 31 existing resources of the Departments of Agriculture, Budget and Management,
 32 Business and Economic Development, Environment, and Housing and Community
 33 Development and any other State agency determined to be appropriate by the
 34 Secretary of Budget and Management. Other than existing resources, additional
 35 funding may not be provided for the staffing, operations, or capital needs of the
 36 corporation until the State's fiscal crisis and structural deficit is resolved.

1 SECTION 4. AND BE IT FURTHER ENACTED, That if any provision of this
2 Act or the application thereof to any person or circumstance is held invalid for any
3 reason in a court of competent jurisdiction, the invalidity does not affect other
4 provisions or any other application of this Act which can be given effect without the
5 invalid provision or application, and for this purpose the provisions of this Act are
6 declared severable.

7 SECTION 5. AND BE IT FURTHER ENACTED, That ~~Section 1~~ of this Act shall
8 take effect July 1, 2004. ~~It shall remain effective for a period of 16 years and, at the~~
9 ~~end of June 30, 2020, with no further action required by the General Assembly;~~
10 ~~Section 1 of this Act shall be abrogated and of no further force and effect.~~

11 SECTION 6. AND BE IT FURTHER ENACTED, That, ~~except as provided in~~
12 ~~Section 5 of this Act, this Act shall take effect July 1, 2004.~~