

HOUSE BILL 975

C8

8lr0060

By: **Chair, Environmental Matters Committee (By Request – Departmental – Housing and Community Development)**
Introduced and read first time: February 7, 2008
Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Department of Housing and Community Development – Authorization of**
3 **State-Funded Loan Sales – Servicing Rights for State and Bond-Funded**
4 **Loans**

5 FOR the purpose of requiring the Department of Housing and Community
6 Development to sell certain loans at a public or private sale, under certain
7 circumstances; authorizing the Department and the Community Development
8 Administration to retain servicing rights for certain loans after they are sold
9 and to charge a certain fee for servicing the loans; and generally relating to the
10 sale and servicing of loans by the Department of Housing and Community
11 Development and the Community Development Administration.

12 BY repealing and reenacting, with amendments,
13 Article – Housing and Community Development
14 Section 2–102, 4–226(c), and 4–235(g)
15 Annotated Code of Maryland
16 (2006 Volume and 2007 Supplement)

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

19 **Article – Housing and Community Development**

20 2–102.

21 The Department shall:

22 (1) encourage and assist political subdivisions and public and private
23 community organizations to develop mutual and cooperative solutions to their common
24 problems;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



1 (2) serve as a clearinghouse for information and materials that may be
2 pertinent to sound community assistance, including information on available federal,
3 State, and private financial assistance and technical assistance;

4 (3) implement model or demonstration programs and projects or
5 otherwise provide a program of practical research in community assistance;

6 (4) provide grants and loans for energy conservation and the use of
7 solar energy in commercial and residential buildings;

8 (5) provide advisory, consultative, training, and educational services,
9 and technical assistance to any political subdivision, local public agency, or nonprofit
10 organization for community assistance purposes;

11 (6) contract for and accept a gift, grant, contribution, or loan of money,
12 property, or other aid for community assistance from a governmental unit, the federal
13 government, or another source and comply with the terms and conditions of that aid;

14 (7) attach terms and conditions to financial assistance as the
15 Secretary determines;

16 (8) participate with political subdivisions, regional governments,
17 organizations, and the federal government in developing, financing, and implementing
18 a program to build the management capabilities of municipal corporations by
19 supplying needed managerial expertise through circuit riding managers;

20 (9) administer federal programs to community assistance; [and]

21 (10) develop and implement a weatherization program in accordance
22 with Title 4 of this article and administer the low-income weatherization component
23 of the electric universal service program in accordance with § 7-512.1 of the Public
24 Utility Companies Article; **AND**

25 **(11) IF NECESSARY OR CONVENIENT TO FURTHER ANY PURPOSE**
26 **OF THE DEPARTMENT, SELL ANY MORTGAGE OR OTHER OBLIGATION THAT IT**
27 **HOLDS AT PUBLIC OR PRIVATE SALE, WITH OR WITHOUT PUBLIC BIDDING, AND**
28 **RETAIN THE SERVICING RIGHTS AND CHARGE SERVICING FEES FOR ANY**
29 **MORTGAGE OR OTHER OBLIGATION THAT IT SELLS AND APPLY THE PROCEEDS**
30 **FROM ANY SALE AND SERVICING FEES EARNED TO ANY OF THE FUNDS**
31 **ESTABLISHED BY TITLE 4, SUBTITLE 5 OF THIS ARTICLE.**

32 4-226.

33 (c) At public or private sale and with or without public bidding, the
34 Administration may sell a mortgage or other obligation that the Administration holds

1 **AND RETAIN THE SERVICING RIGHTS AND CHARGE SERVICING FEES FOR ANY**
2 **MORTGAGE OR OTHER OBLIGATION IT SELLS.**

3 4-235.

4 (g) The Administration may sell any mortgage or other obligation that it
5 holds, at public or private sale, with or without public bidding, **AND RETAIN THE**
6 **SERVICING RIGHTS AND CHARGE SERVICING FEES FOR ANY MORTGAGE OR**
7 **OTHER OBLIGATION IT SELLS.**

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 July 1, 2008.