

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

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 13, 2008

CHAPTER _____

1 AN ACT concerning

2 **Department of Housing and Community Development - Authorization for**
3 **Sales of State-Funded ~~Loan Sales~~ Mortgages or Other Obligations -**
4 **Servicing Rights for State and Bond-Funded Loans**

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

14 BY repealing and reenacting, with amendments,
15 Article - Housing and Community Development
16 Section 2-102, 4-226(c), and 4-235(g)
17 Annotated Code of Maryland
18 (2006 Volume and 2007 Supplement)

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

21 **Article - Housing and Community Development**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 2-102.

2 (A) The Department shall:

3 (1) encourage and assist political subdivisions and public and private
4 community organizations to develop mutual and cooperative solutions to their common
5 problems;

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

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

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

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

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

19 (7) attach terms and conditions to financial assistance as the
20 Secretary determines;

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

25 (9) administer federal programs to community assistance; ~~and~~

26 (10) develop and implement a weatherization program in accordance
27 with Title 4 of this article and administer the low-income weatherization component
28 of the electric universal service program in accordance with § 7-512.1 of the Public
29 Utility Companies Article, ~~AND.~~

30 ~~(11) (B) IF NECESSARY OR CONVENIENT TO FURTHER ANY~~
31 ~~PURPOSE OF THE DEPARTMENT, THE DEPARTMENT MAY:~~

32 (1) SELL ANY MORTGAGE OR OTHER OBLIGATION THAT ~~IF~~ THE
33 DEPARTMENT HOLDS AT PUBLIC OR PRIVATE SALE, WITH OR WITHOUT PUBLIC
34 BIDDING, AND;

1 **(2) RETAIN THE SERVICING RIGHTS AND CHARGE SERVICING**
2 **FEEES FOR ANY MORTGAGE OR OTHER OBLIGATION THAT ~~##~~ THE DEPARTMENT**
3 **SELLS ~~AND~~; AND**

4 **(3) APPLY THE PROCEEDS FROM ANY SALE AND SERVICING FEES**
5 **EARNED TO ANY OF THE FUNDS ESTABLISHED ~~BY~~ UNDER TITLE 4, SUBTITLE 5**
6 **OF THIS ARTICLE.**

7 4-226.

8 (c) **(1)** At public or private sale and with or without public bidding, the
9 Administration may sell a mortgage or other obligation that the Administration holds,
10 ~~AND~~

11 **(2) THE ADMINISTRATION MAY RETAIN THE SERVICING RIGHTS**
12 **AND CHARGE SERVICING FEES FOR ANY MORTGAGE OR OTHER OBLIGATION ~~##~~**
13 **THE ADMINISTRATION SELLS.**

14 4-235.

15 (g) The Administration may:

16 **(1)** sell any mortgage or other obligation that it holds, at public or
17 private sale, with or without public bidding, ~~AND~~; ~~AND~~

18 **(2) RETAIN THE SERVICING RIGHTS AND CHARGE SERVICING**
19 **FEEES FOR ANY MORTGAGE OR OTHER OBLIGATION ~~##~~ THE ADMINISTRATION**
20 **SELLS.**

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

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.