

CHAPTER 477

(Senate Bill 983)

AN ACT concerning

Maryland Housing Fund – Unallocated Reserves – Transfers

FOR the purpose of ~~requiring the Secretary of Housing and Community Development to transfer~~ *transferring* certain amounts in the Maryland Housing Fund at the end of any fiscal year to the Homeownership Programs Fund, the Rental Housing Programs Fund, and the Special Loan Programs Fund; *requiring a certain transfer of funds in a certain year*; and generally relating to the transfer of certain unallocated reserves of the Maryland Housing Fund.

BY adding to

Article – Housing and Community Development
Section 3–203(i)
Annotated Code of Maryland
(2006 Volume and 2007 Supplement)

BY repealing and reenacting, with amendments,

Article – Housing and Community Development
Section 4–502(d), 4–504(e)(1), and 4–505(g)(1)
Annotated Code of Maryland
(2006 Volume and 2007 Supplement)

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

Article – Housing and Community Development

3–203.

(I) ~~(1) IF~~ ***(1) BEGINNING IN FISCAL YEAR 2010, IF THE BALANCE OF THE UNALLOCATED RESERVE OF THE FUND AT THE END OF ANY FISCAL YEAR EXCEEDS THE AMOUNT OF RESERVES NECESSARY TO PROVIDE BACKING FOR THE INSURANCE ISSUED BY THE FUND BY MORE THAN \$10,000,000, THE EXCESS OVER \$10,000,000 SHALL BE TRANSFERRED BY THE SECRETARY AS FOLLOWS GOVERNOR TO THE:***

~~(1) (1) ONE THIRD TO THE~~ ***HOMEOWNERSHIP PROGRAMS FUND ESTABLISHED UNDER § 4–502 OF THIS ARTICLE;***

~~(2)~~ ~~(II)~~ ~~ONE-THIRD TO THE RENTAL HOUSING PROGRAMS FUND ESTABLISHED UNDER § 4-504 OF THIS ARTICLE; AND~~

~~(3)~~ ~~(III)~~ ~~ONE-THIRD TO THE SPECIAL LOAN PROGRAMS FUND ESTABLISHED UNDER § 4-505 OF THIS ARTICLE.~~

(2) THE DISTRIBUTION OF ANY MONEY TRANSFERRED FROM THE FUND TO THE HOMEOWNERSHIP PROGRAMS FUND, THE RENTAL HOUSING PROGRAMS FUND, AND THE SPECIAL LOAN PROGRAMS FUND SHALL BE AT THE DISCRETION OF THE SECRETARY.

4-502.

(d) The Fund consists of:

(1) money appropriated by the State for homeownership programs, including the Maryland Home Financing Program under Subtitle 8 of this title and the Down Payment and Settlement Expense Loan Program under Subtitle 3 of this title;

(2) money from the sale of the State's general obligation bonds;

(3) repayments or prepayments of principal and payments of interest on loans made under the Maryland Home Financing Program, the Homeowners' Emergency Mortgage Assistance Program, the Reverse Equity Program, or the Down Payment and Settlement Expense Loan Program, formerly the Settlement Expense Loan Program;

(4) money transferred to the Fund in accordance with §§ 4-503(d), 4-504(f), and 4-505(h) of this subtitle and [§ 6-310(g)] §§ ~~3-203(I)~~ AND ~~6-310(G)~~ of this article; and

(5) investment earnings of the Fund.

4-504.

(e) (1) The Fund consists of:

(i) money appropriated by the State for rental housing programs, including the Elderly Rental Housing Program under § 4-402 of this title, the Multifamily Rehabilitation Program under § 4-906(b) of this title, the Nonprofit Rehabilitation Program under § 4-929 of this title, and the Rental Housing Production Program under § 4-1502 of this title;

(ii) repayments and prepayments of loans made under the programs set forth in item (i) of this paragraph;

(iii) money appropriated under § 4–501(c) of this subtitle;

(iv) money transferred to the Fund in accordance with §§ 4–502(e), 4–503(d), and 4–505(h) of this subtitle and [~~§ 6–310(g)~~] §§ **3–203(I) AND 6–310(G)** of this article; and

(v) investment earnings of the Fund.

4–505.

(g) (1) The Fund consists of:

(i) money appropriated by the State for special loan programs, including:

1. the Special Rehabilitation Program under § 4–906(b) of this title;

2. the Regular Rehabilitation Program under § 4–906(b) of this title;

3. the Group Home Financing Program under § 4–602 of this title; and

4. the Lead Hazard Reduction Grant Program under § 4–708 of this title and the Lead Hazard Reduction Loan Program under § 4–709 of this title;

(ii) repayments of principal and payments of interest on loans made under these programs;

(iii) repayments of grants from the Fund;

(iv) repayments of principal and payments of interest on loans from the Fund;

(v) money transferred to the Fund in accordance with §§ 4–502(e), 4–503(d), and 4–504(f) of this subtitle and [~~§ 6–310(g)~~] §§ **3–203(I) AND 6–310(G)** of this article; and

(vi) investment earnings of the Fund.

SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2008, the Governor shall transfer \$10,000,000 in the Maryland Housing Fund established under § 3–203 of the Housing

and Community Development Article to the Rental Housing Programs Fund, the Homeownership Programs Fund, and the Special Loan Program Fund in the amounts of \$5,600,000, \$1,800,000, and \$2,600,000, respectively.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2008.

Approved by the Governor, May 13, 2008.