

CHAPTER 528

(House Bill 975)

AN ACT concerning

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

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

BY repealing and reenacting, with amendments,
Article – Housing and Community Development
Section 2–102, 4–226(c), and 4–235(g)
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

2–102.

(A) The Department shall:

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

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

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

- (4) provide grants and loans for energy conservation and the use of solar energy in commercial and residential buildings;
- (5) provide advisory, consultative, training, and educational services, and technical assistance to any political subdivision, local public agency, or nonprofit organization for community assistance purposes;
- (6) contract for and accept a gift, grant, contribution, or loan of money, property, or other aid for community assistance from a governmental unit, the federal government, or another source and comply with the terms and conditions of that aid;
- (7) attach terms and conditions to financial assistance as the Secretary determines;
- (8) participate with political subdivisions, regional governments, organizations, and the federal government in developing, financing, and implementing a program to build the management capabilities of municipal corporations by supplying needed managerial expertise through circuit riding managers;
- (9) administer federal programs to community assistance; ~~and~~
- (10) develop and implement a weatherization program in accordance with Title 4 of this article and administer the low-income weatherization component of the electric universal service program in accordance with § 7-512.1 of the Public Utility Companies Article; ~~AND.~~

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

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

(2) RETAIN THE SERVICING RIGHTS AND CHARGE SERVICING FEES FOR ANY MORTGAGE OR OTHER OBLIGATION THAT ~~IF~~ THE DEPARTMENT SELLS ~~AND;~~ ~~AND~~

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

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

(2) THE ADMINISTRATION MAY RETAIN THE SERVICING RIGHTS AND CHARGE SERVICING FEES FOR ANY MORTGAGE OR OTHER OBLIGATION ~~IF~~ THE ADMINISTRATION SELLS.

4-235.

(g) The Administration may:

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

(2) RETAIN THE SERVICING RIGHTS AND CHARGE SERVICING FEES FOR ANY MORTGAGE OR OTHER OBLIGATION ~~IF~~ THE ADMINISTRATION SELLS.

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

Approved by the Governor, May 13, 2008.