

CHAPTER 648

(House Bill 1546)

AN ACT concerning

DHCD – Community Development Administration – Financing Instruments – Mortgage Loans Guaranteed by Government–Sponsored Enterprises

FOR the purpose of authorizing the Community Development Administration of the Department of Housing and Community Development to purchase or issue certain securities that are backed by mortgage loans and guaranteed by government–sponsored enterprises ~~or certain other entities~~; specifying that the securities are to finance community development projects, public purpose projects, or residential mortgage loans; defining a certain term; making a stylistic change; and generally relating to the Community Development Administration.

BY repealing and reenacting, without amendments,
Article – Housing and Community Development
Section 4–101(a) and (b)
Annotated Code of Maryland
(2006 Volume and 2008 Supplement)

BY repealing and reenacting, with amendments,
Article – Housing and Community Development
Section 4–234 and 4–235(h)
Annotated Code of Maryland
(2006 Volume and 2008 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

4–101.

- (a) In this title the following words have the meanings indicated.
- (b) “Administration” means the Community Development Administration.

4–234.

(A) IN THIS SECTION, “GOVERNMENT–SPONSORED ENTERPRISE” MEANS THE FEDERAL NATIONAL MORTGAGE ASSOCIATION, THE FEDERAL

HOME LOAN MORTGAGE CORPORATION, THE FEDERAL HOME LOAN BANK, OR OTHER AGENCY OR INSTRUMENTALITY OF OR CHARTERED BY THE FEDERAL GOVERNMENT THAT HAS SIMILAR POWERS.

[(a)] (B) [For] **TO FINANCE** [a] community development [project,] **PROJECTS, PUBLIC PURPOSE PROJECTS, OR RESIDENTIAL MORTGAGE LOANS,** the Administration may **PURCHASE OR** issue securities **THAT ARE** backed by mortgage loans **AND** guaranteed by the Government National Mortgage Association, ~~**OR A GOVERNMENT-SPONSORED ENTERPRISE, OR OTHER ENTITY ACCEPTABLE TO THE ADMINISTRATION.**~~

[(b)] (C) (1) Notwithstanding inconsistent provisions of this subtitle relating to bonds or notes that the Administration **PURCHASES OR** issues, the issuance, terms, and conditions of a security that the Administration issues under this section may be as the Administration finds necessary or desirable for guaranty by the Government National Mortgage Association, ~~**OR A GOVERNMENT-SPONSORED ENTERPRISE, OR OTHER ENTITY ACCEPTABLE TO THE ADMINISTRATION.**~~

(2) Except as provided by paragraph (1) of this subsection, the provisions of this subtitle that relate to bonds or notes issued by the Administration apply to securities **PURCHASED OR** issued under this section.

4-235.

(h) The Administration may purchase securities backed by mortgages to provide financial assistance to community development projects and public purpose projects **AND TO FINANCE RESIDENTIAL MORTGAGE LOANS** with the proceeds of the securities or with investment earnings on the securities.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2009.

Approved by the Governor, May 19, 2009.