

HOUSE BILL 830

C8

1lr1666

By: **Delegate Lierman**

Introduced and read first time: January 29, 2021

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Community Development Administration – Financial Assistance**
3 **Programs – Prohibitions**

4 FOR the purpose of prohibiting the Community Development Administration from
5 requiring the use of certain bonds to qualify for certain loans or otherwise
6 conditioning the award of certain financial assistance on the use of certain
7 Administration resources; and generally relating to financial assistance programs of
8 the Administration.

9 BY repealing and reenacting, with amendments,
10 Article – Housing and Community Development
11 Section 4–225
12 Annotated Code of Maryland
13 (2019 Replacement Volume and 2020 Supplement)

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

16 **Article – Housing and Community Development**

17 4–225.

18 (a) The Administration shall administer a program of financial assistance for:

19 (1) community development projects;

20 (2) energy conservation projects;

21 (3) home improvement projects;

22 (4) public purpose projects;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 (5) solar energy projects;
- 2 (6) special housing facilities; and
- 3 (7) business projects.

4 (b) The Administration shall provide financial assistance for projects and
5 facilities under this section with money that the Administration can get for them from any
6 source, including:

- 7 (1) payments under federal law;
- 8 (2) bonds or notes issued by the Administration;
- 9 (3) bonds or notes issued by the State; and
- 10 (4) mortgage-backed securities and proceeds of investments in them.

11 (c) A loan for a home improvement project having a principal balance exceeding
12 \$5,000 shall be secured by a mortgage.

13 (d) Subject to an agreement with noteholders or bondholders, the Administration
14 may consent that a loan, loan commitment, or agreement to which the Administration is a
15 party be modified as to:

- 16 (1) the interest rate;
- 17 (2) the time of payments of an installment of principal or interest;
- 18 (3) security; or
- 19 (4) any other term.

20 **(E) THE ADMINISTRATION MAY NOT:**

21 **(1) REQUIRE THE USE OF LONG-TERM TAX-EXEMPT BONDS TO**
22 **QUALIFY FOR RENTAL HOUSING WORKS LOANS; OR**

23 **(2) OTHERWISE CONDITION THE AWARD OF FINANCIAL ASSISTANCE**
24 **UNDER AN AFFORDABLE HOUSING PROGRAM ADMINISTERED BY THE**
25 **ADMINISTRATION ON THE USE OF ANY OTHER ADMINISTRATION RESOURCE.**

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 October 1, 2021.