

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 83A, § 5-1018(a).

The former reference to "[i]ncome from investments allocable to the Guaranty Fund [made by] the State Treasurer ..." is deleted as redundant of the crediting of investment earnings to the Fund under § 5-537 of this subtitle.

Defined terms: "Authority" § 5-501

"Fund" § 5-533

"State" § 1-101

5-539. USES.

THE AUTHORITY MAY USE THE FUND FOR:

- (1) GUARANTY PAYMENTS MADE UNDER § 5-540(A) OF THIS SUBTITLE;
- (2) INTEREST SUBSIDY PAYMENTS UNDER § 5-540(B) OF THIS SUBTITLE;

AND

- (3) EXPENSES FOR ADMINISTRATIVE, LEGAL, ACTUARIAL, AND OTHER SERVICES.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 83A, §§ 5-1018(b) and 5-1028(a).

In the introductory language of this section, the former redundant reference that the Authority may use the Fund "to pay the following expenses and disbursements of the Authority" is deleted for clarity, brevity, and as unnecessary in light of the list of authorized expenses and disbursements.

Former Art. 83A, § 5-1028(a) which authorized specified financial assistance is deleted as included under revised § 5-540 of this article.

Defined terms: "Authority" § 5-501

"Fund" § 5-533

5-540. FINANCIAL ASSISTANCE — CONDITIONS.

(A) LOAN GUARANTIES.

(1) THE AUTHORITY MAY USE THE FUND TO GUARANTEE UP TO 80% OF THE PRINCIPAL OF AND INTEREST ON A LONG-TERM LOAN MADE BY A FINANCIAL INSTITUTION TO AN APPLICANT ONLY IF:

(I) THE APPLICANT MEETS THE REQUIREMENTS UNDER § 5-541 OF THIS SUBTITLE AND HAS NOT VIOLATED § 5-545 OF THIS SUBTITLE;

(II) THE LOAN AMOUNT IS \$5,000 OR MORE AND THE MAXIMUM AMOUNT PAYABLE BY THE AUTHORITY UNDER THE GUARANTY DOES NOT EXCEED \$2,000,000;