

(10) a student loan guaranteed by the United States or any of its agencies or by the Maryland Higher Education Loan Corporation].

6-209.

(a) State money on deposit with a financial institution shall be secured by:

(1) deposit insurance; or

(2) collateral as required by this section.

(b) (1) The collateral for State money on deposit with a financial institution:

(i) must have, at all times, a market value that equals or exceeds the State money that is on deposit with the financial institution and is not covered by deposit insurance; AND

(ii) must be approved by the Treasurer[; and

(iii) as to student loans guaranteed by the Maryland Higher Education Loan Corporation, must be approved by the Governor].

(2) Subject to the requirements of this subsection, a financial institution may change its collateral from time to time.

(c) (1) A custodian shall hold the collateral under this section for the benefit of the State.

(2) A financial institution may use as a custodian:

(i) any banking institution that is approved by the Bank Commissioner TO CONDUCT COMMERCIAL BANKING BUSINESS IN THE STATE;

(ii) any national banking association that is approved by the Comptroller of the Currency TO CONDUCT BANKING BUSINESS IN THE STATE; or

(iii) ~~any other bank or trust company that is incorporated in another state and is approved by the banking authority of the state where the bank or trust company has its principal office~~ A FEDERAL RESERVE BANK.

(3) A financial institution may not be approved as custodian for the collateral of a depository unless the assets of the financial institution equal or exceed 200% of the value of the collateral to be held for the depository.