

THE STATE, UNEXPENDED OR SURPLUS MONEY OVER WHICH THE TREASURER HAS CUSTODY IF:

(1) THE DEPOSIT IS INTEREST BEARING; AND

(2) AS PROVIDED FOR A DEPOSITARY FOR STATE MONEY:

(I) THE FINANCIAL INSTITUTION PROVIDES COLLATERAL THAT HAS A MARKET VALUE THAT EQUALS OR EXCEEDS THE AMOUNT BY WHICH A DEPOSIT EXCEEDS THE DEPOSIT INSURANCE; AND

(II) A CUSTODIAN HOLDS THE COLLATERAL.

(B) SALE, REDEMPTION, AND EXCHANGE.

THE TREASURER MAY SELL, REDEEM, OR EXCHANGE AN INVESTMENT OR REINVESTMENT MADE UNDER THIS SECTION.

REVISOR'S NOTE: Subsections (a)(1) and (b) of this section are new language derived without substantive change from former Art. 95, § 22F(a)(3).

Subsection (a)(2) of this section is new language substituted for the former requirement "shall be collateralized in the manner set forth in § 21A of this article", for clarity. The substituted language incorporates the duties as to collateral and custodian, which now appear in § 6-209 of this subtitle.

The introductory language of subsection (a) of this section, "[e]xcept as otherwise prohibited by law," is added as a general reference to Art. 49B, § 22(b) of the Code, which prohibits deposits with financial institutions that engage in discriminatory practices.

In the introductory clause of subsection (a) of this section, the new defined term "financial institution" is substituted for the former reference to "a bank, savings and loan association, or building and loan association", to conform to the balance of this subtitle. See revisor's note to § 6-201(e) of this subtitle.

Defined terms: "Collateral" § 6-201

"Deposit insurance" § 6-201

"Financial institution" § 6-201

6-224. MARYLAND ENVIRONMENTAL SERVICE.

(A) AUTHORIZED.

NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE TREASURER MAY INVEST OR REINVEST UNEXPENDED OR SURPLUS STATE MONEY IN OBLIGATIONS THAT THE MARYLAND ENVIRONMENTAL SERVICE ISSUES FOR A CAPITAL PROJECT IF: