

(10) INFORMATION THAT RELATES TO THE FAMILY INCOME OF THE GRANT APPLICANT; AND

[(9)] ~~(10)~~ (11) Any other relevant information that the Department requests.

6-2A-10.

(a) Except as provided in this subtitle, the Department may set the terms and conditions for GRANTS AND direct loans.

(b) If the Department decides to lend money to an applicant, the Department shall prepare loan documents.

(c) The loan documents shall include:

(1) The rate of interest on the loan;

(2) The amount of the loan;

(3) A requirement that before each disbursement of loan proceeds is released to the applicant, the applicant and the Department cosign the request for the funds;

(4) Provisions for repayment of the loan; and

(5) Any other provisions that the Department determines are necessary to secure the loan, including the taking of liens and security interests in real and personal property.

(d) Mortgages or deeds of trust held as security for loans made under this subsection which are in default may be foreclosed by the Department in the same manner as provided by the Maryland Rules of Procedure for foreclosures in private transactions. The Department is authorized to take title in its name to any such property foreclosed as well as to convey title to such property to bona fide purchasers thereof.

(e) The term of the direct loan may not exceed 20 years.

(f) The applicant for a direct loan to finance a child care center must agree to operate the child care center for at least the term of the loan and to repay the outstanding loan in full upon transfer, sale, or refinancing of the facility prior to the end of the loan term; and the direct loan documents may provide for penalties for any applicant who fails to operate the child care centers for the entire term of the loan.

(g) The Department may make direct loans to child care centers whether or not they are located in applicants' homes but a minimum of a direct loan for a child care facility located in a home shall be \$15,000.

(h) The proceeds of the direct loans may be used for renovations, construction, or purchase of real property, fixtures, or equipment related to the child care facility, but not for refinancing existing loans, working capital, supplies, or inventory.