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§3–601.

(a) In order to utilize to the greatest extent possible the benefits of available financial resources relating to transportation purposes, including federal grants, loans, transportation facility revenue sources, and other programs, the Department from time to time may issue its bonds and otherwise borrow funds, as provided in this subtitle, to finance the costs of transportation facilities.

(b) The Department may apply for any financial assistance in support of projects deemed appropriate by the Secretary.

(c) The Department may undertake the following actions and do all things necessary and appropriate consistent with such actions to utilize the available resources specified in subsection (a) of this section:

(1) Pledge and use existing and anticipated federal funds paid to or expected to be paid to the Department for transportation purposes for the payment of the principal of and interest on the Department's bonds or other debt obligations issued under this subtitle to finance the costs of transportation facilities; and

(2) (i) Borrow funds from the federal government or its agencies, and evidence such borrowing with a promissory note or other evidence of obligation;

(ii) Borrow funds from a nongovernment lender if the loan is guaranteed by the federal government or its agencies; and

(iii) 1. Use the proceeds of the loans described in items (i) and (ii) of this paragraph in connection with transportation facilities including use of the proceeds to pay the costs of financing transportation facilities and the payment of debt service on the Department's bonds issued in connection with such transportation facilities;

2. Repay the loans with revenues attributable to the transportation facilities being financed; and

3. Pledge revenues attributable to the transportation facilities being financed in order to secure the Department's obligations to the federal government or its agencies or a nongovernment lender in connection with the loans.

(d) If the Department intends to pledge any future federal aid from any source to support repayment of bonds issued under this subtitle:

(1) The aggregate principal amount of debt issued under this subtitle or Title 4, Subtitle 3 of this article that is secured by a pledge of future federal aid may not exceed $750,000,000;

(2) The date of maturity may not be later than 12 years after the date of issue;

(3) Notwithstanding § 3–215(d) of this title, if future federal aid is insufficient to pay the principal of and interest on the bonds issued under this subtitle when due, the tax levied under § 3–215 of this title, to the extent the proceeds of such tax are not necessary to provide the sinking fund required under § 3–215(c) of this title, is irrevocably pledged to the payment of the principal of and interest on the bonds issued under this subtitle as they become due and payable;

(4) The lien of the pledge under item (3) of this subsection shall at all times be subordinate to the lien of the pledge of such tax under § 3–215(d) of this title to the payment of principal of and interest on consolidated transportation bonds; and

(5) No part of the tax levied under § 3–215 of this title may be repealed, diminished, or applied to any other purpose until:

(i) The bonds issued under this subtitle and interest on them have become due and fully paid; or

(ii) Adequate and complete provision for payment of the principal and interest has been made.

(e) (1) By resolution of the Secretary, the Department may:

(i) Borrow funds to finance the costs of transportation facilities;

(ii) Evidence the borrowing by the issuance and sale of revenue–backed bonds; and

(iii) Pledge and use a dedicated revenue source, which may include revenues attributable to the transportation facilities being financed, for the payment of the principal of and interest on the Department's revenue–backed bonds described in this subsection.

(2) Payment of the principal of or interest on revenue–backed bonds issued under this subtitle may not be supported directly or indirectly by State tax revenues pledged to meet debt service on Consolidated Transportation Bonds as prescribed under § 3–215 of this title.

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