

## Article - Election Law

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§9–104.

(a) In this section, “bonds” means individual notes, bonds, or other evidences of indebtedness.

(b) A county may issue bonds to finance all or part of the costs of a voting system.

(c) A county may:

(1) issue general obligation bonds to finance all or part of the costs of a voting system without regard to any constitutional, statutory, charter, or other limitations on the borrowing power of the county; and

(2) pledge its full faith and credit and taxing power to the payment of the principal of and interest on the bonds.

(d) (1) This subsection applies to bonds issued under this section.

(2) The bonds of each issue shall be authorized by ordinance or resolution of the county governing body.

(3) The authorizing ordinance or resolution shall specify that the bonds:

(i) be dated;

(ii) bear interest at a rate or rates to be determined in the manner that is specified in the ordinance or resolution; and

(iii) mature at certain times.

(4) The authorizing ordinance or resolution may make the bonds redeemable before maturity:

(i) at the price set before bonds are issued; and

(ii) under the terms and conditions set before bonds are issued.

(5) The authorizing ordinance or resolution shall:

(i) cite the authority for the issuance of the bonds and the amount authorized;

(ii) determine the form of the bonds;

(iii) fix the denomination of the bonds; and

(iv) fix the place where principal and interest may be paid, which may include a bank or trust company inside or outside the State.

(6) The bonds shall be signed, manually or by facsimile, by an officer of the issuing county, and the seal of the county or facsimile thereof shall be affixed to the bonds and attested to in the manner that the governing body determines.

(7) The signature of an officer of the county or its facsimile that appears on a bond is valid even if that officer ceases to hold office before the bonds are delivered or takes office after the date of issuance of the bonds.

(8) The bonds shall have all the qualities and incidents of negotiable instruments under the Maryland Uniform Commercial Code.

(9) The bonds may be issued in such registered form as is specified in the authorizing ordinance or resolution.

(10) The bonds may be sold:

(i) at public or private negotiated sale as the county determines to be in its best interest; and

(ii) at the price or prices determined in the manner that is specified in the authorizing ordinance or resolution.

(e) (1) After payment of all costs and expenses incurred in connection with the preparation, sale, and delivery of the bonds, the entire proceeds from the sale of bonds issued under this section shall be used solely for the costs of the voting system for which the bonds were issued.

(2) Any balance remaining after the funding of costs of the voting system shall be used to provide for the payment of the principal of and the interest on, or the redemption of, the bonds.

(f) (1) (i) In each fiscal year in which general obligation bonds issued under this section are outstanding, the county shall levy or cause to be levied ad valorem taxes, on all of the assessable property within the county, at a rate or in an amount sufficient to provide for or assure the payment of the principal of and interest on the bonds when and as they become due and payable.

(ii) If the proceeds of taxes levied in any fiscal year prove inadequate for the payment, the county shall levy or cause to be levied additional taxes in the subsequent fiscal year to make up any deficiency.

(2) The proceeds of a levy under this subsection shall be used only to pay principal of and interest on outstanding bonds issued under this section.

(g) A bond issued under this section, its transfer, the interest payable on it, and

the income from it, including any profit realized in the sale or exchange of it, shall at all times be and remain exempt from taxation of any kind and nature by:

(1) the State, a county, a municipal corporation, or other political subdivision of the State; or

(2) a unit of the State, a county, a municipal corporation, or other political subdivision of the State.

(h) Sections 19–205 and 19–206 of the Local Government Article do not apply to bonds issued under this section.

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