
By: **Wicomico County Delegation**
Introduced and read first time: February 23, 2001
Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Wicomico County - Bonds - Limitation on Effect of Charter Provision**
3 **Impairing Obligation to Levy or Collect Taxes**

4 FOR the purpose of authorizing Wicomico County to provide security for the payment
5 of principal of and interest on the County's borrowings by creating certain funds
6 or pledging certain funds; prohibiting a charter provision of Wicomico County
7 from impairing or being construed to impair the obligation of the County to levy
8 and collect taxes to pay the principal and interest on certain bonds to which the
9 County has pledged its unlimited taxing power and which are still outstanding
10 on the effective date of the charter provision; and generally relating to security
11 for borrowing in Wicomico County.

12 BY repealing and reenacting, with amendments,
13 Article 31 - Debt - Public
14 Section 2D(b) and (c)
15 Annotated Code of Maryland
16 (1997 Replacement Volume and 2000 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article 31 - Debt - Public**

20 2D.

21 (b) For the purpose of providing security for the payment of the principal of
22 and interest on borrowings by Prince George's County, BY WICOMICO COUNTY, or by
23 Anne Arundel County, the borrowing county, by charter provision or by legislative act,
24 (1) may provide for the creation of sinking funds, debt service funds, debt service
25 reserve funds, or other trust funds, including funds held by a corporate trustee,
26 pledged for such payments, (2) may provide that, in the event that sufficient funds for
27 the timely payment of said principal and interest when due are not available or in the
28 event of a default in the payment of said principal or interest, the first general fund
29 revenues of that county received thereafter shall be applied to the payment thereof in
30 amounts sufficient to make such payment when due or to cure such default as the

1 case may be, and (3) may pledge any of its revenues to the payment of said principal
2 and interest to the extent provided by said charter provision or legislative act.

3 (c) No charter provision of Prince George's County, WICOMICO COUNTY, or
4 Anne Arundel County shall impair or be construed to impair the obligation of such
5 county to levy and collect taxes to provide for the payment when due of principal of
6 and interest on bonds of such county, or bonds guaranteed by such county, to which
7 that county has pledged its unlimited taxing power, and which are outstanding on the
8 effective date of such charter provision.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 June 1, 2001.