
By: **Senators Pipkin and Colburn**

Introduced and read first time: March 7, 2005

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Route 404 - Maryland Route 404 Authority - Creation, Powers, and**
3 **Duties**

4 FOR the purpose of creating the Maryland Route 404 Authority; establishing the
5 membership, compensation, and terms of the Authority; providing for staff for
6 the Authority; specifying the duties of the Authority relating to Maryland Route
7 404 projects; providing that the Authority has general supervision over all
8 Maryland Route 404 projects; specifying the powers of the Authority;
9 authorizing the Authority to enter into certain contracts and agreements;
10 requiring the Authority to make certain reports to the General Assembly and
11 certain committees at certain times; authorizing the Authority to employ and
12 compensate certain staff in a certain manner; authorizing the Authority to apply
13 for and receive certain grants; authorizing the Authority to adopt certain
14 regulations; providing that the Authority is exempt from certain taxes, fees, and
15 assessments; authorizing the Authority to issue certain revenue bonds; defining
16 certain terms; and generally relating to Maryland Route 404 and the Maryland
17 Route 404 Authority.

18 BY adding to
19 Article - Transportation
20 Section 4A-101 through 4A-402, inclusive, to be under the new title "Title 4A.
21 Maryland Route 404 Authority"
22 Annotated Code of Maryland
23 (2001 Replacement Volume and 2004 Supplement)

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

1 **Article - Transportation**

2 TITLE 4A. MARYLAND ROUTE 404 AUTHORITY.

3 SUBTITLE 1. DEFINITIONS; POLICY.

4 4A-101.

5 (A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

6 (B) "AUTHORITY" MEANS THE MARYLAND ROUTE 404 AUTHORITY.

7 (C) "COST", AS APPLIED TO ANY MARYLAND ROUTE 404 PROJECT, INCLUDES
8 THE COST OF AND ALL EXPENSES INCIDENT TO THE CONSTRUCTION,
9 RECONSTRUCTION, ACQUISITION, IMPROVEMENT, EXTENSION, ALTERATION,
10 MODERNIZATION, PLANNING, MAINTENANCE, AND REPAIR OF THE PROJECT,
11 INCLUDING THE COST AND EXPENSES OF:

12 (1) ALL PROPERTY ACQUIRED IN CONNECTION WITH IT;

13 (2) FINANCIAL, ARCHITECTURAL, CONSULTING, ENGINEERING, AND
14 LEGAL SERVICES;15 (3) PLANS, SPECIFICATIONS, SURVEYS, ESTIMATES, FEASIBILITY
16 REPORTS, AND DIRECT AND INDIRECT LABOR, MATERIAL, EQUIPMENT, AND
17 ADMINISTRATIVE EXPENSES; AND18 (4) FINANCING THE PROJECT, INCLUDING FINANCING CHARGES AND
19 INTEREST BEFORE, DURING, AND FOR 1 YEAR AFTER COMPLETION OF
20 CONSTRUCTION.

21 (D) "OUTSTANDING AND UNPAID" DOES NOT INCLUDE:

22 (1) BONDS PURCHASED AND HELD IN SINKING FUNDS BY OR FOR THE
23 AUTHORITY; OR24 (2) IF THE MONEY FOR THEIR PAYMENT OR REDEMPTION HAS BEEN
25 PROVIDED:

26 (I) MATURED BONDS NOT PRESENTED FOR PAYMENT; OR

27 (II) BONDS CALLED FOR REDEMPTION BUT NOT PRESENTED FOR
28 REDEMPTION.

29 (E) "MARYLAND ROUTE 404 PROJECT" MEANS ANY EXPANSION, WIDENING, OR
30 REPAIR OF MARYLAND ROUTE 404, TOGETHER WITH THEIR APPURTENANT
31 CAUSEWAYS, APPROACHES, INTERCHANGES, ENTRANCE PLAZAS, TOLL STATIONS,
32 AND SERVICE FACILITIES.

1 (F) "REFUNDING" MEANS THE RETIREMENT AND CANCELLATION OF BONDS,
2 INCLUDING REVENUE BONDS OF PRIOR ISSUES, AFTER THEIR ACQUISITION BY OR
3 FOR THE AUTHORITY, WHETHER BEFORE, AT, OR AFTER MATURITY, EITHER IN
4 EXCHANGE FOR OTHER BONDS OR BY PAYMENT, PURCHASE, OR REDEMPTION WITH
5 THE PROCEEDS OF THE SALE OF OTHER BONDS.

6 (G) "RESOLUTION", AS USED REGARDING THE AUTHORITY, MEANS A
7 RESOLUTION ADOPTED BY THE AFFIRMATIVE VOTE OF A MAJORITY OF THE
8 APPOINTED MEMBERS OF THE AUTHORITY AND CONCURRED IN BY THE CHAIR.

9 4A-102.

10 THE EXERCISE OF THE POWERS GRANTED BY THIS TITLE IS FOR THE BENEFIT
11 OF THE PEOPLE OF THIS STATE AND FOR THE IMPROVEMENT OF THEIR HEALTH AND
12 LIVING CONDITIONS, AND THE ACTIVITIES OF THE AUTHORITY AND THE OPERATION
13 AND MAINTENANCE OF ITS PROJECTS CONSTITUTE ESSENTIAL GOVERNMENTAL
14 FUNCTIONS.

15 SUBTITLE 2. GENERAL PROVISIONS.

16 4A-201.

17 THERE IS A MARYLAND ROUTE 404 AUTHORITY.

18 4A-202.

19 (A) THE SECRETARY OF TRANSPORTATION IS THE CHAIR OF THE AUTHORITY.

20 (B) (1) IN ADDITION TO THE CHAIR, THE AUTHORITY CONSISTS OF EIGHT
21 MEMBERS APPOINTED BY THE GOVERNOR WITH THE ADVICE AND CONSENT OF THE
22 SENATE.

23 (2) THE APPOINTED MEMBERS OF THE AUTHORITY MAY NOT BE
24 EMPLOYEES OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT.

25 (C) (1) EACH APPOINTED MEMBER SERVES FOR A TERM OF 2 YEARS AND
26 UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

27 (2) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY THE
28 TERMS PROVIDED FOR MEMBERS OF THE AUTHORITY ON JULY 1, 2005.

29 (3) AN APPOINTED MEMBER MAY NOT SERVE MORE THAN TWO
30 CONSECUTIVE TERMS.

31 (4) A MEMBER APPOINTED TO FILL A VACANCY IN AN UNEXPIRED TERM
32 SERVES ONLY FOR THE REMAINDER OF THAT TERM.

33 (D) A MEMBER OF THE AUTHORITY IS ENTITLED TO:

34 (1) THE COMPENSATION PROVIDED IN THE STATE BUDGET; AND

1 (2) REIMBURSEMENT FOR EXPENSES, IN ACCORDANCE WITH THE
2 STANDARD STATE TRAVEL REGULATIONS OF THE DEPARTMENT OF BUDGET AND
3 MANAGEMENT.

4 4A-203.

5 (A) THE AUTHORITY IS ENTITLED TO THE STAFF PROVIDED IN THE STATE
6 BUDGET.

7 (B) THE SECRETARY SHALL PROVIDE THE AUTHORITY WITH THE PERSONNEL
8 OF THE DEPARTMENT THAT THE SECRETARY CONSIDERS NECESSARY FOR
9 PERFORMANCE OF THE MAINTENANCE AND OTHER FUNCTIONS REQUIRED OF THE
10 AUTHORITY TO MEET ITS OBLIGATIONS WITH RESPECT TO MARYLAND ROUTE 404
11 PROJECTS.

12 4A-204.

13 (A) ACTING ON BEHALF OF THE DEPARTMENT, THE AUTHORITY HAS THOSE
14 POWERS AND DUTIES RELATING TO THE SUPERVISION, FINANCING, CONSTRUCTION,
15 OPERATION, MAINTENANCE, AND REPAIR OF MARYLAND ROUTE 404 PROJECTS AS
16 ARE GRANTED TO IT BY THIS TITLE OR ANY OTHER PROVISIONS OF LAW.

17 (B) THE AUTHORITY HAS GENERAL SUPERVISION OVER ALL MARYLAND
18 ROUTE 404 PROJECTS.

19 (C) THE AUTHORITY SHALL FINANCE, CONSTRUCT, OPERATE, REPAIR, AND
20 MAINTAIN IN GOOD ORDER ALL MARYLAND ROUTE 404 PROJECTS.

21 4A-205.

22 (A) IN ADDITION TO THE POWERS OTHERWISE SPECIFICALLY GRANTED BY
23 LAW, THE AUTHORITY HAS THE POWERS DESCRIBED IN THIS SECTION.

24 (B) THE AUTHORITY MAY ACQUIRE, HOLD, AND DISPOSE OF PROPERTY IN THE
25 EXERCISE OF ITS POWERS AND PERFORMANCE OF ITS DUTIES.

26 (C) (1) SUBJECT TO THE LIMITATIONS DESCRIBED IN PARAGRAPH (2) OF
27 THIS SUBSECTION, THE AUTHORITY MAY MAKE ANY CONTRACTS AND AGREEMENTS
28 NECESSARY OR INCIDENTAL TO THE EXERCISE OF ITS POWERS AND PERFORMANCE
29 OF ITS DUTIES.

30 (2) NOT LESS THAN 45 DAYS BEFORE ENTERING INTO ANY CONTRACT
31 OR AGREEMENT TO ACQUIRE OR CONSTRUCT A REVENUE-PRODUCING MARYLAND
32 ROUTE 404 PROJECT, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE,
33 THE AUTHORITY SHALL PROVIDE A DESCRIPTION OF THE PROPOSED PROJECT AND A
34 SUMMARY OF THE CONTRACT OR AGREEMENT TO:

35 (I) THE SENATE BUDGET AND TAXATION COMMITTEE AND THE
36 HOUSE COMMITTEE ON WAYS AND MEANS AND HOUSE APPROPRIATIONS
37 COMMITTEE FOR REVIEW AND COMMENT; AND

1 (II) THE DEPARTMENT OF LEGISLATIVE SERVICES.

2 (D) (1) (I) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE
3 AUTHORITY MAY EMPLOY AND FIX THE COMPENSATION OF ATTORNEYS,
4 CONSULTING ENGINEERS, ACCOUNTANTS, CONSTRUCTION AND FINANCIAL
5 EXPERTS, SUPERINTENDENTS, MANAGERS, AND ANY OTHER AGENTS AND
6 EMPLOYEES THAT IT CONSIDERS NECESSARY TO EXERCISE ITS POWERS AND
7 PERFORM ITS DUTIES.

8 (II) THE AUTHORITY SHALL ESTABLISH COMPENSATION FOR
9 EXECUTIVE MANAGEMENT POSITIONS THAT IS CONSISTENT WITH THE
10 COMPENSATION OF COMPARABLE POSITIONS IN THE DEPARTMENT OF
11 TRANSPORTATION.

12 (III) THE AUTHORITY SHALL REPORT THE COMPENSATION
13 ESTABLISHED BY THE AUTHORITY TO THE GENERAL ASSEMBLY EACH YEAR AS PART
14 OF THE AUTHORITY'S PRESENTATION OF ITS BUDGET.

15 (2) THE EXPENSE OF EMPLOYING THESE PERSONS MAY BE PAID ONLY
16 FROM REVENUES OR FROM THE PROCEEDS OF REVENUE BONDS ISSUED BY THE
17 AUTHORITY.

18 (E) THE AUTHORITY MAY APPLY FOR AND RECEIVE GRANTS FROM ANY
19 FEDERAL AGENCY FOR THE PLANNING, CONSTRUCTION, OPERATION, OR FINANCING
20 OF ANY MARYLAND ROUTE 404 PROJECT AND MAY RECEIVE AID OR CONTRIBUTIONS
21 OF MONEY, PROPERTY, LABOR, OR OTHER THINGS OF VALUE FROM ANY SOURCE, TO
22 BE HELD, USED, AND APPLIED FOR THE PURPOSES FOR WHICH THE GRANTS, AID,
23 AND CONTRIBUTIONS ARE MADE.

24 (F) THE AUTHORITY MAY ADOPT REGULATIONS TO CARRY OUT THE
25 PROVISIONS OF THIS TITLE.

26 (G) THE AUTHORITY MAY DO ANYTHING ELSE NECESSARY OR CONVENIENT
27 TO CARRY OUT THE POWERS GRANTED IN THIS TITLE.

28 4A-206.

29 EXCEPT FOR WATER AND SEWER CHARGES IMPOSED BY THIS STATE OR ANY OF
30 ITS AGENCIES OR POLITICAL SUBDIVISIONS, THE AUTHORITY, ITS ACTIVITIES, AND
31 THE PROPERTY IT OWNS OR CONTROLS ARE EXEMPT FROM ALL TAXES,
32 ASSESSMENTS, AND CHARGES, WHETHER FEDERAL, STATE, OR LOCAL, NOW OR
33 SUBSEQUENTLY LEVIED OR IMPOSED.

34 SUBTITLE 3. FINANCING OF PROJECTS.

35 4A-301.

36 BY ONE OR MORE RESOLUTIONS, THE AUTHORITY MAY:

37 (1) FINANCE THE COST OF MARYLAND ROUTE 404 PROJECTS;

1 (2) BORROW MONEY FROM TIME TO TIME FOR THAT PURPOSE; AND

2 (3) EVIDENCE THE BORROWING BY THE ISSUANCE AND SALE OF
3 REVENUE BONDS, NOTES, OR OTHER EVIDENCES OF OBLIGATION ON THE TERMS,
4 CONDITIONS, AND LIMITATIONS CONTAINED IN THIS SUBTITLE.

5 4A-302.

6 (A) WITHOUT LIMITING THE POWER OF THE AUTHORITY TO ISSUE
7 ADDITIONAL REVENUE BONDS UNDER THE PROVISIONS OF LAW THAT AUTHORIZE
8 THE ISSUANCE OF REVENUE BONDS OF PRIOR ISSUES, THE AUTHORITY FROM TIME
9 TO TIME MAY ISSUE ITS REVENUE BONDS TO FINANCE THE COST OF ANY ONE OR
10 MORE OR COMBINATION OF MARYLAND ROUTE 404 PROJECTS.

11 (B) AS TO REVENUE BONDS OF ANY ISSUE, THE AUTHORITY MAY DETERMINE:

12 (1) THE DATE OR DATES OF ISSUE;

13 (2) THE DATE OR DATES AND AMOUNT OR AMOUNTS OF MATURITY,
14 WHICH NEED NOT BE IN EQUAL PRINCIPAL AMOUNTS OR CONSECUTIVE ANNUAL
15 INSTALLMENTS, BUT A BOND MAY NOT BE ISSUED TO MATURE LATER THAN 40 YEARS
16 AFTER THE DATE OF ITS ISSUE;

17 (3) THE RATE OR RATES OF INTEREST PAYABLE ON THE BONDS, OR THE
18 MANNER OF DETERMINING THE RATE OR RATES OF INTEREST, AND THE DATE OR
19 DATES OF PAYMENT OF INTEREST;

20 (4) THE TENOR, FORM OR FORMS, DENOMINATION OR DENOMINATIONS,
21 MANNER OF EXECUTION, AND PLACE OR PLACES OF PAYMENT OF THE PRINCIPAL OF
22 AND INTEREST ON THE BONDS, WHICH MAY BE AT ANY BANK OR TRUST COMPANY
23 WITHIN OR WITHOUT THIS STATE;

24 (5) WHETHER THE BONDS ARE TO BE ISSUED IN COUPON OR
25 REGISTERED FORM OR BOTH AND WHETHER PROVISION IS TO BE MADE FOR THE
26 REGISTRATION OF THE PRINCIPAL ONLY OF COUPON BONDS, FOR THE
27 RECONVERSION OF FULLY REGISTERED BONDS INTO COUPON FORM, AND FOR THE
28 REPLACEMENT OF BONDS THAT ARE MUTILATED, LOST, OR DESTROYED;

29 (6) WHETHER ALL OR ANY PART OF THE BONDS ARE REDEEMABLE
30 BEFORE MATURITY AND, IF SO, THE TERMS, CONDITIONS, AND PRICES OF
31 REDEMPTION; AND

32 (7) ANY OTHER MATTER RELATING TO THE FORM, TERMS, CONDITIONS,
33 ISSUANCE, SALE, AND DELIVERY OF THE BONDS.

34 4A-303.

35 (A) (1) REVENUE BONDS ISSUED UNDER THIS SUBTITLE SHALL BE
36 EXECUTED ON BEHALF OF THE AUTHORITY BY THE MANUAL SIGNATURE OF AT
37 LEAST ONE AUTHORIZED INDIVIDUAL.

1 (2) OTHER SIGNATURES ON THE BONDS MAY BE EITHER MANUAL OR
2 FACSIMILE.

3 (B) IF AN INDIVIDUAL WHOSE MANUAL OR FACSIMILE SIGNATURE APPEARS
4 ON ANY BOND OR COUPON ISSUED UNDER THIS SUBTITLE CEASES TO SERVE IN AN
5 AUTHORIZED CAPACITY BEFORE THE DELIVERY OF THE BOND, THE SIGNATURE
6 NEVERTHELESS IS AS VALID AND SUFFICIENT FOR ALL PURPOSES AS IF THE
7 INDIVIDUAL HAD REMAINED IN THAT CAPACITY UNTIL DELIVERY OF THE BOND.

8 4A-304.

9 NOTWITHSTANDING ANY OTHER PROVISION OF LAW OR ANY RECITALS IN THE
10 INSTRUMENTS, THE REVENUE BONDS, NOTES, AND OTHER EVIDENCES OF
11 OBLIGATION ISSUED UNDER THIS SUBTITLE ARE INVESTMENT SECURITIES UNDER
12 THE LAWS OF THIS STATE.

13 4A-305.

14 THE REVENUE BONDS, NOTES, AND OTHER EVIDENCES OF OBLIGATION ISSUED
15 UNDER THIS SUBTITLE AND THEIR ISSUANCE AND SALE ARE EXEMPT FROM THE
16 PROVISIONS OF §§ 8-206 AND 8-208 OF THE STATE FINANCE AND PROCUREMENT
17 ARTICLE, AND THE AUTHORITY MAY SELL THEM AT EITHER PUBLIC OR PRIVATE
18 SALE IN THE MANNER AND FOR THE PRICE THAT IT DETERMINES.

19 4A-306.

20 REVENUE BONDS MAY BE ISSUED BY THE AUTHORITY:

21 (1) WITHOUT OBTAINING THE CONSENT OF ANY INSTRUMENTALITY,
22 AGENCY, OR UNIT OF THIS STATE; AND

23 (2) WITHOUT ANY PROCEEDINGS OR THE HAPPENING OF ANY
24 CONDITIONS OR THINGS OTHER THAN THOSE SPECIFICALLY REQUIRED BY THIS
25 SUBTITLE.

26 4A-307.

27 (A) IF BY REASON OF INCREASED CONSTRUCTION COSTS, ERROR IN
28 ESTIMATES, OR OTHERWISE, THE PROCEEDS OF THE REVENUE BONDS OF ANY ISSUE
29 ARE LESS THAN THE AMOUNT REQUIRED FOR THE PURPOSE FOR WHICH THE BONDS
30 ARE AUTHORIZED, ADDITIONAL REVENUE BONDS MAY BE ISSUED IN A SIMILAR
31 MANNER TO PROVIDE THE AMOUNT OF THE DEFICIENCY.

32 (B) (1) THE ADDITIONAL BONDS SHALL BE DEEMED TO BE OF THE SAME
33 ISSUE AND SHALL BE ENTITLED TO PAYMENT FROM THE SAME FUND, WITHOUT
34 PREFERENCE OR PRIORITY, AS THE BONDS FIRST ISSUED.

35 (2) IF THE PROCEEDS OF THE ADDITIONAL BONDS EXCEED THE
36 AMOUNT REQUIRED, THE EXCESS SHALL BE DEPOSITED TO THE CREDIT OF ANY
37 RESERVE FUND FOR THE BONDS OR, IF SO PROVIDED IN THE TRUST AGREEMENT

1 SECURING THE BONDS, MAY BE APPLIED TO THE COST OF ANY ADDITIONAL
2 PROJECT.

3 4A-308.

4 (A) THE AUTHORITY FROM TIME TO TIME MAY ISSUE REVENUE REFUNDING
5 BONDS FOR:

6 (1) REFUNDING ANY BONDS ISSUED UNDER THIS SUBTITLE OR ANY
7 REVENUE BONDS OF PRIOR ISSUES, INCLUDING THE PAYMENT OF ANY REDEMPTION
8 PREMIUM ON THE BONDS AND ANY INTEREST ACCRUED OR TO ACCRUE TO THE DATE
9 OF REDEMPTION OF THE BONDS;

10 (2) CONSTRUCTING IMPROVEMENTS OR EXTENSIONS TO OR
11 ENLARGEMENTS OF ANY MARYLAND ROUTE 404 PROJECT; AND

12 (3) PAYING ALL OR ANY PART OF THE COST OF ANY ADDITIONAL
13 MARYLAND ROUTE 404 PROJECT.

14 (B) THE ISSUANCE OF REVENUE REFUNDING BONDS, THE DETAILS OF THE
15 ISSUANCE OF REVENUE REFUNDING BONDS, THE RIGHTS OF THE HOLDERS OF
16 REVENUE REFUNDING BONDS, AND THE RIGHTS, DUTIES, AND OBLIGATIONS OF THE
17 AUTHORITY WITH RESPECT TO REVENUE REFUNDING BONDS ARE GOVERNED BY
18 THE PROVISIONS OF THIS SUBTITLE RELATING TO REVENUE BONDS, INsofar AS
19 THOSE PROVISIONS MAY BE APPLICABLE.

20 4A-309.

21 BEFORE THE PREPARATION OF DEFINITIVE BONDS, THE AUTHORITY MAY ISSUE
22 ITS INTERIM CERTIFICATES OR TEMPORARY BONDS, WITH OR WITHOUT COUPONS,
23 EXCHANGEABLE FOR DEFINITIVE BONDS WHEN THE DEFINITIVE BONDS HAVE BEEN
24 EXECUTED AND ARE AVAILABLE FOR DELIVERY.

25 4A-310.

26 (A) THE AUTHORITY MAY ISSUE BOND ANTICIPATION NOTES PAYABLE TO THE
27 BEARER OR REGISTERED HOLDER OF THE NOTES OUT OF THE FIRST PROCEEDS OF
28 THE NEXT ENSUING SALE OF BONDS ISSUED UNDER THIS SUBTITLE.

29 (B) THE RESOLUTION AUTHORIZING THE ISSUANCE OF BOND ANTICIPATION
30 NOTES MAY PROVIDE FOR THE ISSUANCE OF THE NOTES IN SERIES, AS FUNDS ARE
31 REQUIRED, AND FOR THE RENEWAL OF THE NOTES AT MATURITY, WITH OR WITHOUT
32 RESALE.

33 (C) THE ISSUANCE OF BOND ANTICIPATION NOTES, THE DETAILS OF THE
34 ISSUANCE OF BOND ANTICIPATION NOTES, THE RIGHTS OF THE HOLDERS OF BOND
35 ANTICIPATION NOTES, AND THE RIGHTS, DUTIES, AND OBLIGATIONS OF THE
36 AUTHORITY WITH RESPECT TO THE BOND ANTICIPATION NOTES ARE GOVERNED BY
37 THE PROVISIONS OF THIS SUBTITLE RELATING TO THE ISSUANCE OF THE BONDS IN

1 ANTICIPATION OF THE SALE OF WHICH THE NOTES ARE ISSUED, INSOFAR AS THOSE
2 PROVISIONS MAY BE APPLICABLE.

3 4A-311.

4 (A) (1) REVENUE BONDS ISSUED UNDER THIS SUBTITLE MAY BE SECURED
5 BY A TRUST AGREEMENT BETWEEN THE AUTHORITY AND A CORPORATE TRUSTEE,
6 WHICH MAY BE ANY TRUST COMPANY OR BANK HAVING TRUST POWERS WITHIN OR
7 WITHOUT THIS STATE.

8 (2) THE TRUST AGREEMENT MAY PLEDGE OR ASSIGN ALL OR ANY PART
9 OF THE REVENUES OF THE AUTHORITY OR OF ANY MARYLAND ROUTE 404 PROJECT,
10 BUT MAY NOT MORTGAGE ANY PART OF ANY MARYLAND ROUTE 404 PROJECT.

11 (B) ANY TRUST AGREEMENT OR BOND AUTHORIZING RESOLUTION MAY:

12 (1) CONTAIN ANY PROVISIONS FOR THE PROTECTION AND
13 ENFORCEMENT OF THE RIGHTS AND REMEDIES OF BONDHOLDERS AS ARE
14 CONSIDERED REASONABLE AND PROPER, INCLUDING COVENANTS SETTING FORTH
15 THE DUTIES OF THE AUTHORITY AS TO THE FINANCING OR DEVELOPMENT OF ANY
16 MARYLAND ROUTE 404 PROJECT, THE EXTENSION, ENLARGEMENT, IMPROVEMENT,
17 MAINTENANCE, OPERATION, REPAIR, AND INSURANCE OF THE PROJECT, AND THE
18 CUSTODY, SAFEGUARDING, AND APPLICATION OF MONEY;

19 (2) PROVIDE FOR THE EMPLOYMENT OF CONSULTING ENGINEERS IN
20 CONNECTION WITH THE CONSTRUCTION OR OPERATION OF ANY MARYLAND ROUTE
21 404 PROJECT;

22 (3) SET FORTH THE RIGHTS AND REMEDIES OF THE BONDHOLDERS AND
23 OF THE TRUSTEE;

24 (4) RESTRICT THE INDIVIDUAL RIGHT OF ACTION BY BONDHOLDERS;
25 AND

26 (5) CONTAIN ANY OTHER PROVISIONS THAT THE AUTHORITY
27 CONSIDERS REASONABLE AND PROPER FOR THE SECURITY OF THE BONDHOLDERS,
28 INCLUDING:

29 (I) COVENANTS TO RESTRICT OR PROHIBIT THE CONSTRUCTION
30 OR OPERATION OF COMPETING MARYLAND ROUTE 404 PROJECTS OF THE SAME
31 MODE; AND

32 (II) COVENANTS RELATING TO THE ISSUANCE OF ADDITIONAL
33 PARITY BONDS ON STATED CONDITIONS CONSISTENT WITH THE REQUIREMENTS OF
34 THIS SUBTITLE.

35 (C) ALL EXPENSES INCURRED IN CARRYING OUT THE TRUST AGREEMENT
36 MAY BE TREATED AS A PART OF THE COST OF THE OPERATION OF THE MARYLAND
37 ROUTE 404 PROJECT IN CONNECTION WITH WHICH THE BONDS HAVE BEEN ISSUED.

1 (D) THE PROCEEDS OF THE SALE OF BONDS SHALL BE PAID TO THE TRUSTEE
2 UNDER THE TRUST AGREEMENT SECURING THE BONDS AND SHALL BE DISBURSED
3 IN THE MANNER AND UNDER THE RESTRICTIONS, IF ANY, PROVIDED IN THE TRUST
4 AGREEMENT.

5 (E) ANY BANK OR TRUST COMPANY INCORPORATED UNDER THE LAWS OF
6 THIS STATE THAT ACTS AS DEPOSITARY OF THE PROCEEDS OF THE BONDS OR OF
7 REVENUES MAY FURNISH ANY INDEMNIFYING BONDS OR PLEDGE ANY SECURITIES
8 THAT THE AUTHORITY REQUIRES.

9 4A-312.

10 (A) (1) NOTWITHSTANDING ANY OTHER PROVISIONS OF LAW, TOLLS MAY BE
11 CHARGED ON ANY MARYLAND ROUTE 404 PROJECT.

12 (2) AS TO ALL OR ANY PART OF ANY MARYLAND ROUTE 404 PROJECT,
13 THE AUTHORITY MAY:

14 (I) FIX, REVISE, CHARGE, AND COLLECT RENTALS, RATES, FEES,
15 TOLLS, AND OTHER CHARGES AND REVENUES FOR ITS USE OR FOR ITS SERVICES;
16 AND

17 (II) CONTRACT WITH ANY PERSON WHO DESIRES ITS USE FOR ANY
18 PURPOSE AND FIX THE TERMS, CONDITIONS, RENTALS, RATES, FEES, TOLLS, OR
19 OTHER CHARGES OR REVENUES FOR THIS USE.

20 (B) THE RENTALS, RATES, FEES, TOLLS, AND OTHER CHARGES AND
21 REVENUES DESIGNATED AS SECURITY FOR ANY BONDS ISSUED UNDER THIS
22 SUBTITLE SHALL BE FIXED AND ADJUSTED FROM TIME TO TIME, EITHER WITH
23 RESPECT TO A PARTICULAR MARYLAND ROUTE 404 PROJECT OR IN RESPECT OF THE
24 AGGREGATE OF THE CHARGES AND REVENUES FROM OTHER MARYLAND ROUTE 404
25 PROJECTS UNDER THE CONTROL OF THE AUTHORITY, AS MAY BE SPECIFIED BY LAW
26 OR IN ANY APPLICABLE RESOLUTION OR TRUST AGREEMENT, SO AS TO PROVIDE
27 FUNDS THAT, TOGETHER WITH ANY OTHER AVAILABLE REVENUES, ARE SUFFICIENT
28 AS LONG AS THE BONDS ARE OUTSTANDING AND UNPAID TO:

29 (1) PAY THE COSTS OF MAINTAINING, REPAIRING, AND OPERATING THE
30 MARYLAND ROUTE 404 PROJECT OR PROJECTS FINANCED IN WHOLE OR IN PART BY
31 ONE OR MORE SERIES OF OUTSTANDING AND UNPAID BONDS, TO THE EXTENT THAT
32 PAYMENT IS NOT OTHERWISE PROVIDED;

33 (2) PAY THE PRINCIPAL OF AND THE INTEREST ON THESE BONDS AS
34 THEY BECOME DUE AND PAYABLE;

35 (3) CREATE REASONABLE RESERVES THAT ARE ANTICIPATED WILL BE
36 NEEDED FOR THESE PURPOSES; AND

37 (4) PROVIDE FUNDS FOR PAYING THE COST OF REPLACEMENTS,
38 RENEWALS, AND IMPROVEMENTS.

1 (C) (1) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THE
2 RENTALS, RATES, FEES, TOLLS, AND OTHER CHARGES AND REVENUES ARE NOT
3 SUBJECT TO SUPERVISION OR REGULATION BY ANY INSTRUMENTALITY, AGENCY, OR
4 UNIT OF THIS STATE OR ANY OF ITS POLITICAL SUBDIVISIONS.

5 (2) THIS SUBTITLE DOES NOT AUTHORIZE THE EXERCISE OF ANY
6 POWER OR THE UNDERTAKING OF ANY ACTIVITY THAT WOULD CONFLICT WITH THE
7 PROVISIONS AND LIMITATIONS OF THE FEDERAL URBAN MASS TRANSPORTATION
8 ACT OF 1964.

9 (3) PRIOR TO FIXING OR REVISING TOLLS ON ANY PART OF ANY
10 MARYLAND ROUTE 404 PROJECT, THE AUTHORITY SHALL PROVIDE, IN ACCORDANCE
11 WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE SENATE BUDGET AND
12 TAXATION COMMITTEE, SENATE FINANCE COMMITTEE, HOUSE APPROPRIATIONS
13 COMMITTEE, AND HOUSE WAYS AND MEANS COMMITTEE INFORMATION ON THE
14 PROPOSED TOLL CHARGES, INCLUDING:

- 15 (I) THE ANNUAL REVENUES GENERATED BY THE TOLL CHARGES;
16 (II) THE PROPOSED USE OF THE REVENUES; AND
17 (III) THE PROPOSED COMMUTER DISCOUNT RATES.

18 4A-313.

19 (A) (1) ALL RENTALS, RATES, FEES, TOLLS, AND OTHER CHARGES AND
20 REVENUES DERIVED FROM ANY MARYLAND ROUTE 404 PROJECT SHALL BE SET
21 ASIDE IN A FUND KNOWN AS THE "MARYLAND ROUTE 404 FUND", EXCEPT TO THE
22 EXTENT THAT THEY ARE PLEDGED UNDER AN APPLICABLE TRUST AGREEMENT TO
23 SECURE EITHER:

24 (I) REVENUE BONDS ISSUED UNDER THIS SUBTITLE IF THE TRUST
25 AGREEMENT OR BOND AUTHORIZING RESOLUTION EXPRESSLY PROVIDES THAT THIS
26 SECTION DOES NOT APPLY TO THOSE BONDS; OR

27 (II) REVENUE BONDS OF PRIOR ISSUES.

28 (2) THE MARYLAND ROUTE 404 FUND SHALL BE PLEDGED TO AND
29 CHARGED WITH THE PAYMENT OF:

30 (I) THE INTEREST ON BONDS ISSUED UNDER THIS SUBTITLE AS IT
31 FALLS DUE;

32 (II) THE PRINCIPAL OF THE BONDS AS IT FALLS DUE;

33 (III) THE NECESSARY CHARGES OF PAYING AGENTS FOR PAYING
34 PRINCIPAL AND INTEREST; AND

1 (IV) THE REDEMPTION PRICE OR PURCHASE PRICE OF BONDS
2 RETIRED BY CALL OR PURCHASE AS PROVIDED IN THE BOND AUTHORIZING
3 RESOLUTION OR TRUST AGREEMENT.

4 (B) (1) THE PLEDGE IS VALID AND BINDING FROM THE TIME IT IS MADE.

5 (2) RENTALS, RATES, FEES, TOLLS, AND OTHER CHARGES AND
6 REVENUES OR OTHER MONEY SO PLEDGED AND LATER RECEIVED BY THE
7 AUTHORITY IMMEDIATELY SHALL BE SUBJECT TO THE LIEN OF THE PLEDGE
8 WITHOUT PHYSICAL DELIVERY OR ANY FURTHER ACT.

9 (3) THE LIEN OF THE PLEDGE IS VALID AND BINDING AS AGAINST ALL
10 PARTIES HAVING ANY CLAIMS OF ANY KIND IN TORT, CONTRACT, OR OTHERWISE
11 AGAINST THE AUTHORITY, WHETHER OR NOT THESE PARTIES HAVE NOTICE OF THE
12 PLEDGE.

13 (4) NOTWITHSTANDING ANY LAW TO THE CONTRARY, NEITHER THE
14 RESOLUTION NOR ANY TRUST AGREEMENT BY WHICH A PLEDGE IS CREATED NEED
15 BE FILED OR RECORDED OTHER THAN IN THE RECORDS OF THE AUTHORITY.

16 (C) THE USE AND DISPOSITION OF MONEY TO THE CREDIT OF THE MARYLAND
17 ROUTE 404 FUND IS SUBJECT TO THE PROVISIONS OF THE APPLICABLE BOND
18 AUTHORIZING RESOLUTION OR TRUST AGREEMENT.

19 4A-314.

20 WITHOUT IN ANY WAY LIMITING OR RESTRICTING ITS EFFECT OR APPLICATION,
21 THIS SUBTITLE IS INTENDED TO AUTHORIZE THE AUTHORITY TO FINANCE ANY ONE
22 OR MORE OR ANY COMBINATION OF MARYLAND ROUTE 404 PROJECTS BY ANY ONE
23 OR MORE OR COMBINATION OF ISSUES OR SERIES OF BONDS SECURED BY THE
24 PLEDGE OF THE NET OR GROSS OR ANY COMBINATION OF THE NET OR GROSS
25 RENTALS, RATES, FEES, TOLLS, AND OTHER CHARGES AND REVENUES DERIVED
26 FROM ANY MARYLAND ROUTE 404 PROJECT OR COMBINATION OF PROJECTS
27 DESIGNATED BY ANY BOND AUTHORIZING RESOLUTION OR TRUST AGREEMENT
28 SECURING THE BONDS.

29 4A-315.

30 ALL MONEY THAT IS RECEIVED BY THE AUTHORITY AS PROCEEDS FROM THE
31 SALE OF REVENUE BONDS, NOTES, OR OTHER EVIDENCES OF OBLIGATION UNDER
32 THIS SUBTITLE AND BY WAY OF RENTALS, RATES, FEES, TOLLS, AND OTHER
33 CHARGES AND REVENUES DERIVED FROM ANY MARYLAND ROUTE 404 PROJECT OR
34 COMBINATION OF PROJECTS AND THAT IS DESIGNATED BY ANY AUTHORIZING
35 RESOLUTION OR TRUST AGREEMENT AS SECURITY FOR THE BONDS, NOTES, OR
36 OTHER EVIDENCES OF OBLIGATION SHALL BE DEEMED TO BE TRUST FUNDS TO BE
37 HELD AND APPLIED ONLY AS PROVIDED IN THIS SUBTITLE.

1 4A-316.

2 EXCEPT TO THE EXTENT RESTRICTED BY THE TRUST AGREEMENT, THE
3 TRUSTEE OR ANY HOLDER OF REVENUE BONDS ISSUED UNDER THIS SUBTITLE OR
4 OF ANY OF THE COUPONS APPERTAINING TO THE BONDS MAY:

5 (1) BRING A SUIT, ACTION, MANDAMUS, OR OTHER PROCEEDING AT LAW
6 OR IN EQUITY TO PROTECT AND ENFORCE ANY RIGHT UNDER THE LAWS OF THIS
7 STATE OR UNDER THE BOND AUTHORIZING RESOLUTION OR TRUST AGREEMENT;
8 AND

9 (2) ENFORCE AND COMPEL THE PERFORMANCE OF ALL DUTIES
10 REQUIRED BY THIS SUBTITLE OR BY THE TRUST AGREEMENT TO BE PERFORMED BY
11 THE AUTHORITY OR BY ANY OF ITS OFFICERS, INCLUDING THE FIXING, CHARGING,
12 AND COLLECTING OF RENTALS, RATES, FEES, TOLLS, AND OTHER CHARGES AND
13 REVENUES.

14 4A-317.

15 (A) ALL PUBLIC OFFICERS AND PUBLIC AGENCIES OF THIS STATE AND ITS
16 POLITICAL SUBDIVISIONS, ALL BANKS, TRUST COMPANIES, SAVINGS AND LOAN
17 ASSOCIATIONS, INVESTMENT COMPANIES, AND OTHERS CARRYING ON A BANKING
18 BUSINESS, ALL INSURANCE COMPANIES, INSURANCE ASSOCIATIONS, AND OTHERS
19 CARRYING ON AN INSURANCE BUSINESS, ALL PERSONAL REPRESENTATIVES,
20 GUARDIANS, TRUSTEES, AND OTHER FIDUCIARIES, AND ALL OTHER PERSONS MAY
21 LEGALLY AND PROPERLY INVEST FUNDS, INCLUDING CAPITAL IN THEIR CONTROL
22 OR BELONGING TO THEM, IN REVENUE BONDS, NOTES, AND OTHER EVIDENCES OF
23 OBLIGATION ISSUED UNDER THIS SUBTITLE.

24 (B) BONDS, NOTES, AND OTHER EVIDENCES OF OBLIGATION ISSUED UNDER
25 THIS SUBTITLE MAY LEGALLY AND PROPERLY BE DEPOSITED WITH AND RECEIVED
26 BY ANY STATE OR MUNICIPAL OFFICER OR ANY AGENCY OR POLITICAL SUBDIVISION
27 OF THIS STATE FOR ANY PURPOSE FOR WHICH THE DEPOSIT OF BONDS OR OTHER
28 OBLIGATIONS OF THIS STATE IS AUTHORIZED BY LAW.

29 4A-318.

30 THE REVENUE BONDS, NOTES, AND OTHER EVIDENCES OF OBLIGATION ISSUED
31 UNDER THIS SUBTITLE, THEIR TRANSFER, THE INTEREST PAYABLE ON THEM, AND
32 ANY INCOME DERIVED FROM THEM, INCLUDING ANY PROFIT REALIZED IN THEIR
33 SALE OR EXCHANGE, SHALL BE EXEMPT AT ALL TIMES FROM EVERY KIND AND
34 NATURE OF TAXATION BY THIS STATE OR BY ANY OF ITS POLITICAL SUBDIVISIONS,
35 MUNICIPAL CORPORATIONS, OR PUBLIC AGENCIES OF ANY KIND.

36 4A-319.

37 (A) THE REVENUE BONDS, NOTES, AND OTHER EVIDENCES OF OBLIGATION
38 ISSUED UNDER THIS SUBTITLE ARE NOT AND MAY NOT BE CONSIDERED TO
39 CONSTITUTE A DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF

1 MARYLAND, BUT SHALL BE PAYABLE ONLY FROM THE FUNDS FROM OR REVENUES
2 PROVIDED BY THIS SUBTITLE FOR THAT PURPOSE.

3 (B) ALL REVENUE BONDS, NOTES, AND OTHER EVIDENCES OF OBLIGATION
4 ISSUED UNDER THIS SUBTITLE SHALL CONTAIN A STATEMENT ON THEIR FACE TO
5 THE EFFECT THAT:

6 (1) THIS STATE IS NOT OBLIGATED TO PAY THE PRINCIPAL OF OR THE
7 INTEREST ON THEM EXCEPT FROM REVENUES; AND

8 (2) NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THIS
9 STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON
10 THEM.

11 4A-320.

12 IF THE AUTHORITY INTENDS TO PLEDGE ANY FUTURE FEDERAL AID FROM ANY
13 SOURCE TO SUPPORT REPAYMENT OF ANY DEBT INSTRUMENT ISSUED UNDER THIS
14 SUBTITLE:

15 (1) THE ANNUAL PAYMENTS FOR PRINCIPAL OF AND INTEREST ON THE
16 BONDS MAY NOT EXCEED 20% OF THE STATE'S AVERAGE ANNUAL AUTHORIZATION
17 LEVEL IN THE CURRENT FEDERAL AUTHORIZATION ACT FOR FEDERAL HIGHWAY AID
18 PROVIDED UNDER TITLE 23 OF THE UNITED STATES CODE; AND

19 (2) THE DATE OF MATURITY MAY NOT BE LATER THAN 15 YEARS AFTER
20 THE DATE OF ISSUE.

21 SUBTITLE 4. MISCELLANEOUS PROVISIONS.

22 4A-401.

23 IF THE AUTHORITY CONSIDERS IT NECESSARY OR DESIRABLE TO ENSURE THE
24 PROPER OPERATION AND MAINTENANCE OF ANY MARYLAND ROUTE 404 PROJECT, IT
25 MAY DESIGNATE, ESTABLISH, LIMIT, AND CONTROL THE ENTRANCES AND EXITS OF
26 THE PROJECT AND MAY PROHIBIT ENTRANCE OR EXIT FROM ANY UNDESIGNATED
27 POINT.

28 4A-402.

29 (A) FOR THE PURPOSE OF PROVIDING INFORMATION TO THE DRIVING PUBLIC
30 ON THE AVAILABILITY OF MOTOR VEHICLE FUEL, FOOD, LODGING, OR CAMPING
31 FACILITIES, THE AUTHORITY MAY PLACE ALONG INTERSTATE HIGHWAYS SPECIFIC
32 INFORMATION OR BUSINESS SIGNS AS DEFINED IN THE APPLICABLE FEDERAL
33 STANDARDS.

34 (B) IN IMPLEMENTING THIS PROGRAM, THE AUTHORITY SHALL CONFORM
35 WITH THE PROVISIONS OF § 8-605(D) OF THIS ARTICLE AND SHALL UTILIZE THE
36 REGULATIONS ADOPTED BY THE STATE HIGHWAY ADMINISTRATION UNDER THAT
37 SUBSECTION.

1 SECTION 2. AND BE IT FURTHER ENACTED, That, on July 1, 2005, all the
2 functions, powers, duties, equipment, assets, and liabilities of the State Highway
3 Administration directly related to Maryland Route 404 shall be transferred to the
4 Maryland Route 404 Authority.

5 SECTION 3. AND BE IT FURTHER ENACTED, That the terms of the initial
6 members of the Maryland Route 404 Authority shall expire as follows:

7 (1) four in 2007; and

8 (2) four in 2008.

9 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 July 1, 2005.