

SENATE BILL 997

L2

6lr3663
CF HB 889

By: **Senator Waugh**

Introduced and read first time: February 12, 2016

Assigned to: Rules

Re-referred to: Budget and Taxation, February 19, 2016

Committee Report: Favorable

Senate action: Adopted

Read second time: March 30, 2016

CHAPTER _____

1 AN ACT concerning

2 **St. Mary's County – Metropolitan Commission Bonds – Extension of Maximum**
3 **Maturity Date**

4 FOR the purpose of altering the maximum period of time after which certain bonds issued
5 by the St. Mary's County Metropolitan Commission mature; and generally relating
6 to the issuance of bonds by the St. Mary's County Metropolitan Commission.

7 BY repealing and reenacting, with amendments,
8 The Public Local Laws of St. Mary's County
9 Section 113–6
10 Article 19 – Public Local Laws of Maryland
11 (2007 Edition and March 2014 Supplement, as amended)

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

14 **Article 19 – St. Mary's County**

15 113–6.

16 A. For the purpose of providing funds for the design, construction, establishment,
17 purchase or condemnation of water supply and sewerage systems in any of the sanitary
18 districts, the Commission, upon the approval of the County Commissioners of St. Mary's
19 County, is authorized and empowered to issue bonds, from time to time, upon the full faith

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 and credit of St. Mary's County, in such amounts as it may deem to be necessary to carry
2 on its work, but at no time shall the total issue of bonds for all purposes under this chapter
3 exceed twenty-five (25) percent of the total value of the property assessed for County
4 taxation purposes within all of the sanitary districts in which public water or sewer
5 facilities are located. Subject to the conditions contained herein, the form, tenor, manner of
6 selling and all other matters relating to the issuance of bonds under this chapter shall be
7 prescribed in a resolution to be adopted by the St. Mary's County Metropolitan Commission
8 prior to sale of the bonds. The issuance of such bonds may not be subject to any limitations
9 or conditions contained in any other law, and the Commission may sell such bonds in such
10 manner, either at public or private sale, and for such price, as it may determine to be for
11 the best interests of the Commission and the County Commissioners of St. Mary's County.
12 The bonds shall be serial bonds issued upon the serial maturing plan and in such
13 denominations as shall be determined by the Commission. The bonds may be redeemable
14 before maturity at the option of the Commission at such price and under such terms and
15 conditions as may be fixed by the Commission prior to the issuance of the bonds, shall bear
16 interest at such rate or rates payable semiannually, as shall be determined by a resolution
17 of the St. Mary's County Metropolitan Commission adopted prior to the delivery of the
18 bonds, and shall mature in not more than ~~[thirty (30)]~~ **FORTY (40)** years after date of issue
19 and shall be forever exempt from State, City and County taxation as hereinafter provided.
20 They shall be issued under the signature and seal of the Commission and shall be
21 unconditionally guaranteed as to payment of both principal and interest by the County
22 Commissioners of St. Mary's County, a political subdivision of the State of Maryland, which
23 guaranty shall be endorsed on each of the bonds in the following language: "The payment
24 of interest when due and the principal at maturity is guaranteed by the County
25 Commissioners of St. Mary's County, Maryland." Such endorsement shall be signed on each
26 of the bonds by the President and by the Clerk of the Board of County Commissioners of
27 the County, or another person lawfully assigned to the functions of the Clerk, within ten
28 (10) days after the bonds are presented by the Commission to them for endorsement.

29 B. The principal amount of bonds issued hereunder, the interest payable thereon,
30 their transfer and any income derived therefrom, including any profit made in the sale or
31 transfer thereof, shall be and remain exempt from taxation by the State of Maryland and
32 by the several counties and municipal corporations of this State.

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
34 October 1, 2016.