

Delegate Grant.

DELEGATE GRANT: I have one question with regard to section 42. It indicates there that the bonded indebtedness is limited to indebtedness authorized by the General Assembly or any local legislative body.

I assume that would include municipalities and counties. However, how about the state authorities, and also any particular agency of the State?

I am thinking about toll commissions, Washington Suburban Sanitary Commission, and other agencies like that which may have been set up.

THE CHAIRMAN: Delegate Hardwicke.

DELEGATE HARDWICKE: It is my impression that these are authorized by the General Assembly, but I would like Judge Sherbow to confirm that.

THE CHAIRMAN: Delegate Sherbow.

DELEGATE SHERBOW: I must admit I was reading something entirely different.

THE CHAIRMAN: May I direct your attention to section 42 on page 14.

Delegate Grant calls attention to the fact that the section refers to bonds and other evidences of indebtedness authorized by the General Assembly or by any local legislative body prior to the effective date of this constitution, and he asks what about bonds issued by various authorities such as revenue authorities.

Delegate Sherbow.

DELEGATE SHERBOW: I would assume they would be covered in the same way.

THE CHAIRMAN: In other words, I take it the answer is that the bonds necessarily are authorized either by an enabling act of the General Assembly, or by an enabling ordinance of the local legislative body. In either event, they are within the gambit of this section.

This does not say bonds authorized in the sense of issued, but authorized in the sense of authorized to be issued.

Delegate Grant.

DELEGATE GRANT: I would assume by that that presumably as long as a body by some route or other could draw its ultimate authority from the General Assembly, then any discretion that they

might have for the issuance of bonds would be satisfactory and, secondly, that any body such as the Washington Suburban Sanitary Commission which draws its authorization from Prince Georges County and Montgomery County, and they from the General Assembly, would likewise also.

THE CHAIRMAN: I think there is confusion on two points. I think you are reading the word "authorized" differently from what is intended. Secondly, I do not think you have clearly in mind the purpose to be served by this section.

The question arose in this matter either by act of General Assembly or act of the local legislative body, someone, either a county, comptroller, or the State, has been authorized to issue bonds. The bonds have not yet been issued. The question is: does the pre-existing authority, statutory authority to issue the bonds, continue after the death of the old Constitution, or does the authority to issue the bonds now depend upon the new constitution?

This section is intended to say that with respect to the bonds heretofore authorized, but not issued, when bond counsels look at the requirements of the law to see whether or not the requirements have been complied with, they will look at the law in effect when the bonds were authorized, and not the law in effect now.

Delegate Grant.

DELEGATE GRANT: I follow you. I think with that statement in the record it should be sufficient, then.

THE CHAIRMAN: Are there any other questions concerning section 42?

Delegate Penniman.

DELEGATE PENNIMAN: Not concerning 42, but in section 6, there is a cross reference which I believe is wrong, on line 12. I think it should read "In Section 5.24."

DELEGATE HARDWICKE: That is correct. We have made a note of that, and I hope that you will too, Delegate Penniman.

THE CHAIRMAN: In line 12, section 5.25 should read 5.24.

DELEGATE HARDWICKE: That is correct.

THE CHAIRMAN: Are there any other questions as to any of the sections in the schedule of transitional provisions?