

town Twenty-five Thousand Dollars (\$25,000.00) for the purpose of water system and street improvements, to issue its bonds therefor and to levy municipal taxes to pay the principal and interest of said bonds.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That the Mayor and Council of Mount Airy be and it is hereby authorized and empowered to borrow on the faith and credit of said town the amount of Twenty-five Thousand Dollars (\$25,000.00) and from time to time to issue and sell bonds not exceeding said sum of \$25,000.00, said bonds to be signed by the Mayor and countersigned by the Clerk of said town and to be sealed with the seal of said town. The entire proceeds of such bonds, after payment of costs of engraving and all other incidental costs and expenses connected with the issuance of such bonds, shall be used, either alone or in connection with any federal funds which may be made available, to improve the water system and streets of said town, the particular purpose or purposes to be determined by said Mayor and Council.

SEC. 2. *And be it further enacted*, That said bonds shall be issued in such denominations as shall be determined by the said Mayor and Council of Mount Airy and shall bear interest at a rate to be determined by said Mayor and Council, not in excess of three and one-half per cent. (3½%) per annum. The dates of issuance, the portions of said bonds to be issued from time to time at specified dates, and the time and place for the payment of said bonds and interest shall all be within the determination of said Mayor and Council, provided, however, that no bonds shall be issued after January 1, 1950. The issue of said bonds must comply strictly with the provisions of Sections 35 and 36 of Article 31 of the Annotated Code of Maryland (1939 Edition), except that said bonds shall be callable at any time and that at least \$1,000.00 of such bond issue must be retired annually under the serial maturity plan. Such bonds shall be exempt from all State, county and municipal taxation and shall have printed on them a distinct reference to the Act authorizing their issuance.

SEC. 3. *And be it further enacted*, That the Mayor and Council of Mount Airy be and it is hereby authorized and directed to levy each year so long as said bonds are outstanding and not paid a tax sufficient to redeem the same at their maturity and to pay the interest thereon. Said tax shall become a lien on the property assessed and shall be collected in the same manner as other taxes, the proceeds therefrom to be kept in a special fund and in no case to be used for any