

- (1) CALVERT COUNTY,
- [(1)] (2) Caroline County,
- [(2)] (3) Charles County,
- [(3)] (4) Dorchester County, and
- [(4)] (5) Garrett County.

(b) The County Commissioners in the exercise of their borrowing powers may:

(1) Purchase or lease any personal property necessary or desirable for the operation of their respective county, pursuant to a multiyear contract requiring that the County Commissioners of the purchasing or leasing county make installment or rental payments during 2 or more fiscal years;

(2) Pay interest as part of any installment or rental payments in accordance with the terms of the contract; and

(3) Pledge and assign the personal property purchased or leased pursuant to any contract to secure the purchasing or leasing county's obligations.

(c) The action specified in subsection (b) of this section may be taken if the following conditions are met:

(1) Funds sufficient to pay all amounts due under the contract during the first fiscal year in which the contract is effective are or will be available and have been appropriated and can be used for this purpose;

(2) The contract includes a termination provision which permits the purchasing or leasing county to terminate the contract if funds sufficient to pay all amounts due under the contract for any fiscal year are not appropriated for this purpose for the fiscal year. However, the contract may provide that termination of the contract shall be ineffective if the county purchases or leases personal property similar or functionally related to that purchased or leased under the contract within a period of time after termination, as specified in the contract;

(3) The contract provides that, absent a default in payment by the purchasing or leasing county under the contract, any obligation to pay amounts due under the contract shall be limited to funds appropriated for this purpose for that fiscal year; and

(4) The contract provides that, in the event of default in payment by the county under the contract, any obligation to pay amounts due under the contract shall be limited to funds appropriated for this purpose for that fiscal year, amounts realized from the personal property purchased or leased under the contract, and any other funds legally available for this purpose.