

age system, and to issue bonds and to levy taxes on the assessable property of the town to repay the money borrowed and the interest thereon.

CHAP. 796

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That the Mayor and Council of the town of Glen Echo, in Montgomery county, be and they are hereby authorized to acquire by purchase or otherwise a system of water works and sewerage system for the use of said town.

Acquire water works and sewerage system.

SEC. 2. *Be it enacted by the General Assembly of Maryland,* That the Mayor and Council of Glen Echo are hereby authorized and directed to issue registered bonds in the name of the Mayor and Council of Glen Echo in the sums of two hundred dollars each, each to be numbered from one to thirty-five consecutively ; said bonds shall be made payable in order of their numbers ; the first bond shall be due and payable one year from the date of issue, and bond number two shall be due and payable two years from the date of issue, and thereafter each bond shall mature and be paid each consecutive year from the maturity of bond number one ; provided, however, that the Mayor and Council of Glen Echo are hereby granted the option to redeem any and all bonds outstanding fifteen years from date of its issue ; said bonds to be signed by the Mayor of Glen Echo and the clerk of the said Mayor and Council of Glen Echo to the amount of seven thousand dollars, bearing interest at not more than five per centum per annum, payable annually on each and every year and dated on the date of their issue, and same shall be exempt from county and municipal taxation.

Registered bonds issued

SEC. 3. *And be it enacted by the General Assembly of Maryland,* That the proceeds of the sale from said bond issue of seven thousand dollars, or so much thereof as may be necessary for this purpose, shall be by the said Mayor and Council of Glen Echo used and applied to the payment of costs and expense of acquiring by purchase or otherwise, maintaining and keeping in repair said water and sewerage system, and the plant for the same, for the use of Glen Echo, as the said Mayor and Council may order and direct, and the said bonds are hereby declared to be the first lien upon the plant and franchise of said water and sewerage system.

How proceeds of sale shall be applied.