

## CHAPTER 574.

AN ACT to authorize and empower the town council of Federalsburg, in Caroline County, Maryland, to issue bonds to amount to not exceeding fifteen thousand dollars (\$15,000) for the purpose of improving and extending its system of sewerage, and of improving its streets, highways, alleys and bridges.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That the Town Council of Federalsburg, in Caroline County, be and they are hereby authorized and empowered to issue bonds in the name of said municipal corporation to an amount not exceeding fifteen thousand dollars (\$15,000), the said bonds to be issued in sums of not less than \$100 or more than \$1,000 each, to be sealed with the corporate seal, signed by the President and countersigned by the Clerk of the Council of said town, each of said bonds to be payable twenty years after date, to bearer; said bonds to bear interest in a rate not exceeding five per cent. per annum, payable semi-annually, on the presentation of the interest coupon to be issued with said bonds; and said bonds shall be exempted from all State, County and municipal taxations; provided, however, that the said Town Council of Federalsburg before issuing such bonds hold a special election at which the voters of the town shall signify by ballot whether they favor or oppose such bond issue, and if a majority oppose such issue it shall not be made or considered authorized.

SEC. 2. *And be it enacted,* That the proceeds of the sale of said bonds, if authorized, none of which are to be sold below par, shall be expended in improving and extending the sewerage system of the town of Federalsburg, and improving its streets, highways, alleys and bridges in such proportions as the Town Council may think proper.

SEC. 3. *And be it enacted,* That said Town Council shall have power and authority, if such bond issue is made, and they are hereby directed and required to levy all necessary taxes upon the property within the taxable limits of said town of Federalsburg, not exceeding the rate of taxation fixed in its charter, as the same may be amended, for the purpose of paying the interest on said bonds, and also the principal at maturity; and the said Town Council shall create a sinking fund for the purpose of payment of said bonds at maturity, and shall levy all necessary taxes therefor, and said sinking fund shall be invested by said Town Council in some safe securities to be selected by them.