

credit transaction, or insurance on a debtor to provide indemnity for payments becoming due on a specific loan or other credit transaction while the debtor is disabled as defined in the policy; [or to the insurance included in the memberships of an automobile club as defined in Article 66 $\frac{1}{2}$, Section 320A.]

SEC. 2. *And be it further enacted*, That this Act shall take effect July 1, 1969.

Approved April 23, 1969.

CHAPTER 350

(House Bill 764)

AN ACT to repeal and re-enact, with amendments, Section 34 of Article 23A of the Annotated Code of Maryland (1966 Replacement Volume), title "Corporations—Municipal," subtitle "Home Rule," subheading "Creation of Municipal Public Debt," removing the maximum interest rate provision relating to the sale of bonds or tax anticipation notes by a municipal corporation.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That Section 34 of Article 23A of the Annotated Code of Maryland (1966 Replacement Volume), title "Corporation—Municipal," subtitle "Home Rule," subheading "Creation of Municipal Public Debt," be and it is hereby repealed and re-enacted, with amendments, to read as follows:

34.

The authority conferred on municipal corporations by this subheading is subject to the following limitations:

(1) No tax anticipation notes shall be issued which shall mature later than eighteen months from their respective dates of issue and no bonds shall be issued by any municipal corporation which shall mature later than forty years from their respective date of issue;

(2) No bonds or tax anticipation notes shall be issued by any municipal corporation except for cash or be sold at less than par value thereof [nor shall they bear interest at a rate or rates in excess of five (5%) per centum per annum];

(3) If the charter of any municipal corporation shall require a referendum on the issue of all or any particular type of bonds of such municipal corporation, such bonds shall be issued only if a majority of the qualified voters voting on the referendum held on such issuance shall favor the same but if the majority of said qualified voters shall vote against such issuance then another referendum shall not be held on the question of issuing bonds for the same public purpose until the expiration of one year from the date upon which the issuance of said bonds shall have been so disapproved;

(4) No bonds shall be sold by a municipal corporation except by the solicitation of competitive bids at public sale after the pub-