

construction of public schools. In the event the amounts so borrowed shall prove inadequate to financing the construction of public schools described in the resolution, the County may issue additional bonds within the limitations hereof for the purpose of evidencing the borrowing of additional funds for such financing, provided the resolution for authorizing the additional bonds shall so recite, but if the net proceeds of the sale of any issue of bonds shall exceed the amount needed to finance the construction of public schools described in said resolution, the excess funds so borrowed and not expended by the Board of Education shall be returned to the County by the Board and applied to the payment of the next principal maturity of the bonds or to the redemption of any part of the bonds, if the same shall have been made redeemable, unless the County shall adopt a resolution allocating the excess funds to some other part of the school construction program of the Board of Education. THE AUTHORITY GRANTED UNDER THIS ACT SHALL NOT BE EXERCISED IN ANY MANNER WHICH WOULD CAUSE ANY BONDS, REFUNDING BONDS OR TEMPORARY BONDS ISSUED HEREUNDER TO BE DEEMED "ARBITRAGE BONDS" WITHIN THE MEANING OF SECTION 103 OF THE INTERNAL REVENUE CODE OF 1954 OR THE REGULATIONS THEREUNDER PRESCRIBED.

SEC. 5. *And be it further enacted,* That the bonds hereby authorized shall constitute, and they shall so recite, an irrevocable pledge of the full faith and credit and unlimited taxing power of the County to the payment of the maturing principal of and interest on such bonds as and when the same respectively mature. In each and every fiscal year that any of the bonds are outstanding, the County shall levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the County in rate and amount sufficient to provide for the payment, when due, of the principal of and interest on all the bonds maturing in each such fiscal year and, in the event the proceeds from the taxes so levied in any such fiscal year shall prove inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up any such deficiency. The County may apply to the payment of the principal of and interest on any bonds issued hereunder any funds received by it from the State of Maryland, the United States of America, any agency or instrumentality thereof, or from any other source, if such funds are granted for the purpose of assisting the County in public school construction, and, to the extent of any such funds received or receivable in any fiscal year, the taxes hereby required to be levied may be reduced proportionately.

SEC. 6. *And be it further enacted,* That the County is hereby further authorized and empowered, at any time and from time to time, to issue its bonds in the manner hereinabove described for the purpose of refunding, upon purchase or redemption, any bonds issued hereunder. The validity of any such refunding bonds shall in no way be dependent upon or related to the validity or invalidity of the obligations so refunded. The powers herein granted with respect to the issuance of bonds, and the limitations on such powers, shall be applicable to the issuance of refunding bonds. Such refunding bonds may be issued by the County for the purpose of providing it with funds to purchase in the open market any of its outstanding bonds