3-122. BONDS ARE LEGAL INVESTMENTS.

BONDS AND NOTES ISSUED UNDER THIS SUBTITLE ARE SECURITIES IN WHICH ALL PUBLIC OFFICERS AND PUBLIC UNITS OF THE STATE AND ITS POLITICAL SUBDIVISIONS AND ALL BANKS, TRUST COMPANIES, SAVINGS AND LOAN ASSOCIATIONS, INVESTMENT COMPANIES, AND OTHERS CARRYING ON A BANKING BUSINESS, ALL INSURANCE COMPANIES, INSURANCE ASSOCIATIONS, AND OTHERS CARRYING ON AN INSURANCE BUSINESS, ALL PERSONAL REPRESENTATIVES, GUARDIANS, TRUSTEES, AND OTHER FIDUCIARIES, AND ALL OTHER PERSONS MAY LEGALLY AND PROPERLY INVEST FUNDS, INCLUDING CAPITAL IN THEIR CONTROL OR BELONGING TO THEM. THE BONDS AND NOTES ARE SECURITIES WHICH MAY PROPERLY AND LEGALLY BE DEPOSITED WITH AND RECEIVED BY ANY STATE OR MUNICIPAL OFFICER OR ANY UNIT OR POLITICAL SUBDIVISION OF THE STATE FOR ANY PURPOSE FOR WHICH THE DEPOSIT OF BONDS OR OTHER OBLIGATIONS OF THE STATE IS AUTHORIZED BY LAW.

> REVISOR'S NOTE: This section is new language derived from Article 33B, section 20 of the Code.

3-123. BONDS NOT TO BE DEEMED STATE OR LOCAL DEBT.

BONDS OR NOTES ISSUED UNDER THE PROVISIONS OF THIS SUBTITLE MAY NOT BE A DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR OF ANY POLITICAL SUBDIVISION. EVERY BOND OR NOTE SHALL CONTAIN ON ITS FACE A STATEMENT TO THE EFFECT THAT NEITHER THE SERVICE, THE STATE, NOR ANY POLITICAL SUBDIVISION THEREOF IS OBLIGATED TO PAY IT OR THE INTEREST THEREON EXCEPT FROM REVENUES OR OTHER MONEY OF THE SERVICE AVAILABLE THEREFOR AND THAT NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR ANY POLICIAL SUBDIVISION IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE BONDS OR NOTES.

> REVISOR'S NOTE: This section is new language derived from Article 33B, section 21 of the Code.

3-124. EXEMPTION FROM TAXATION.

THE EXERCISE OF THE POWERS GRANTED BY THIS SUBTITLE ARE FOR THE BENEFIT OF THE PEOPLE OF THE STATE FOR THE IMPROVEMENT OF THEIR HEALTH AND LIVING CONDITIONS. SINCE THE ACTIVITIES OF THE SERVICE AND THE OPERATION AND MAINTENANCE OF ITS PROJECTS CONSTITUTE THE PERFORMANCE OF ESSENTIAL GOVERNMENTAL