

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That:

(1) The Board of Public Works may borrow money and incur indebtedness on behalf of the State of Maryland through a State loan to be known as the Maryland Housing Rehabilitation Loan of 1979 in the aggregate principal amount of \$2,000,000. This loan shall be evidenced by the issuance and sale of State general obligation bonds authorized by a resolution of the Board of Public Works and issued, sold and delivered in accordance with the provisions of §§ 19 to 23 of Article 31 of the Annotated Code of Maryland (1976 Replacement Volume and 1978 Supplement, as amended from time to time).

(2) The bonds issued to evidence this loan or installments thereof may be sold as a single issue, or may be consolidated and sold as part of a single issue of bonds under § 2B of Article 31 of the Code.

(3) The actual cash proceeds of the sale of the bonds shall be paid to the Treasurer and shall be first applied to the payment of the expenses of issuing and delivering the bonds unless funds for this purpose are otherwise provided and thereafter shall be credited on the books of the State Comptroller and expended, upon approval by the Board of Public Works, to provide funds ~~to~~ for the Maryland Housing Rehabilitation Program to be used in accordance with § 257L of Article 41 of the Annotated Code of Maryland (1978 Replacement Volume and 1978 Supplement, as amended from time to time).

(4) Except for amounts required for administrative costs, all scheduled payments (timely or late) of principal and interest on loans made from the proceeds of the bonds authorized to be issued by this Act, and made pursuant to the provisions of Section 257L of Article 41, shall be used to repay the interest on and principal of any bonds issued under this Act ~~and made pursuant to the provisions of § 257L of Article 41~~. Any prepayment of the principal on a loan may be used to make additional loans under the Maryland Housing Rehabilitation Program, which loans shall be treated, for purposes of this section, as loans made from proceeds of the bonds authorized to be issued under this Act.

(5) There is hereby levied and imposed an annual State tax on all assessable property in the State in rate and amount sufficient to pay the principal of and interest on the bonds as and when due and until paid in full, such principal to be discharged within fifteen years of the date of issue of the bonds.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 1979.