

of Article 31 of the Annotated Code of Maryland (1976 Replacement Volume and 1979 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, for the following public purposes, including any applicable architects' and engineers' fees: to provide a fund to make loans, pursuant to the provisions of §§ 266FF-1 through 266FF-4 of Article 41 of the Annotated Code of Maryland, as amended from time to time, to certain citizens of Maryland to purchase homes.

(4) Except for amounts required for administrative costs, all scheduled payments (timely or late) of principal and interest on loans made pursuant to the provisions of §§ 266FF-1 through 266FF-4 of Article 41 from the proceeds of the bonds authorized to be issued by this Act shall be used to repay the interest on and principal of any bonds issued under this Act. Any prepayment of the principal on a loan may be used to make additional loans under the Home Financing 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, 1980.

Approved May 27, 1980.

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CHAPTER 769

(House Bill 926)

AN ACT concerning

Creation of a State Debt - Maryland