

reference to "in the name of such district" is deleted as unnecessary.

9-691. REPLACEMENT OF BONDS.

A SANITARY COMMISSION MAY PROVIDE FOR THE REPLACEMENT OF BONDS THAT ARE MUTILATED, DESTROYED, OR LOST.

REVISOR'S NOTE: This section is new language derived without substantive change from the second sentence of former Article 43, § 654(c).

9-692. USE OF BOND PROCEEDS.

(A) IN GENERAL.

A DISTRICT MAY USE THE PROCEEDS FROM BONDS ISSUED UNDER THIS SUBTITLE ONLY:

(1) TO PAY COSTS INCURRED FOR THE PROJECTS FOR WHICH THE BONDS WERE ISSUED; OR

(2) IN ACCORDANCE WITH THIS SECTION.

(B) TERMS OF AUTHORIZING RESOLUTION.

THE DISTRICT SHALL DISBURSE THE PROCEEDS AS THE SANITARY COMMISSION PROVIDED IN ITS AUTHORIZING RESOLUTION.

(C) POWER TO ISSUE ADDITIONAL BONDS.

(1) IF THE PROCEEDS FROM BONDS ISSUED UNDER THIS SUBTITLE ARE INSUFFICIENT TO PAY THE COSTS INCURRED FOR THE PROJECTS FOR WHICH THE BONDS WERE ISSUED, THE DISTRICT MAY ISSUE ADDITIONAL BONDS TO MAKE UP THE DEFICIT.

(2) UNLESS THE SANITARY COMMISSION PROVIDED OTHERWISE IN ITS AUTHORIZING RESOLUTION, BONDS ISSUED UNDER THIS SUBSECTION:

(I) ARE DEEMED TO BE FROM THE SAME SERIES THAT ORIGINALLY WAS ISSUED FOR THE PROJECT; AND

(II) SHALL BE REPAID WITHOUT PREFERENCE TO OR PRIORITY FOR THE BONDS THAT ALREADY WERE ISSUED FOR THE PROJECT.

(D) USE OF EXCESS PROCEEDS -- RETIRING BONDS.

IF THE PROCEEDS FROM BONDS ISSUED UNDER THIS SUBTITLE EXCEED THE COSTS INCURRED FOR THE PROJECTS FOR WHICH THE BONDS WERE ISSUED AND IF THE AUTHORIZING RESOLUTION SO REQUIRES, THE DISTRICT SHALL USE THE SURPLUS TO RETIRE BONDS OF THE SAME SERIES.