

(A) PURPOSE OF BONDS.

A MUNICIPAL AUTHORITY MAY ISSUE BONDS WHEN AND IN THE AMOUNTS NEEDED TO PROVIDE FUNDS FOR ALL OR PART OF A SYSTEM'S:

- (1) DESIGN;
- (2) CONSTRUCTION;
- (3) EXTENSION;
- (4) ALTERATION;
- (5) PURCHASE; OR
- (6) CONDEMNATION.

(B) BOND PRIVILEGES AND LIMITATIONS.

THE BONDS ISSUED UNDER THIS SUBTITLE:

(1) MAY BE ISSUED WITHOUT PREVIOUS LEGISLATIVE AUTHORITY;

(2) MAY BE OUTSTANDING IN ADDITION TO THE TOTAL INDEBTEDNESS OTHERWISE PERMITTED BY LAW;

(3) MAY BE OF ANY TYPE AND DENOMINATION DETERMINED BY THE MUNICIPAL AUTHORITY, SO LONG AS NO BONDS MATURE LATER THAN 50 YEARS FROM THE DATE OF ISSUE;

(4) SHALL BE EXEMPT FOREVER FROM ANY STATE, COUNTY, OR MUNICIPAL TAXATION; AND

(5) SHALL BE A LIEN ON ALL PROPERTY WITHIN THE MUNICIPALITY THAT ISSUES THEM.

(C) REFERENDUM.

(1) BEFORE ISSUING BONDS UNDER PART II OF THIS SUBTITLE, A MUNICIPAL AUTHORITY SHALL SUBMIT TO A REFERENDUM OF THE VOTERS OF THE MUNICIPALITY THE QUESTION OF WHETHER TO ISSUE THE BONDS.

(2) THE REFERENDUM SHALL BE HELD AT:

(I) ANY REGULAR MUNICIPAL ELECTION; OR

(II) A SPECIAL MUNICIPAL ELECTION, PROVIDED THAT THE VOTERS ARE GIVEN AT LEAST 20 DAYS' NOTICE OF THE ELECTION.

(3) THE REFERENDUM BALLOT SHALL INCLUDE THE WORDS "FOR ... BONDS" AND "AGAINST ... BONDS".