

(iv) "New residential development" means the development of land that results in the issuance of a use and occupancy permit for a residential dwelling unit.

(v) "New school capacity construction bonds" means 10-year bonds issued by the County Commissioners under this subsection.

(vi) "Public school facilities" means elementary, middle, and high school facilities.

(vii) "Pupil generation rate" means the average number of students in the county by dwelling type attending elementary, middle, and high school.

(2) (i) The County Commissioners may [borrow not more than \$100,000,000 by issuing] ISSUE 10-year new school capacity construction bonds at any time and from time to time on the full faith and credit of the county to fund all county costs in providing new school capacity.

(ii) The new school capacity construction bonds shall constitute securities:

1. In which all public officers, public bodies of the State and its political subdivisions, all insurance companies, State banks and trust companies, national banking associations, savings banks, savings and loan associations, investment companies, executors, administrators, trustees, and other fiduciaries may properly and legally invest funds including capital in their control or belonging to them; and

2. Which may be properly and legally deposited with and received by any State or county officer, any State agency, or political subdivision of the State for any purpose for which the deposit of bonds or obligations of the State may be authorized by law.

(iii) The issuance and sale of new school capacity construction bonds under this subsection is exempt from the provisions of Article 31, §§ 9 through 11 of the Code.

(iv) The transfer of, interest on, and any income derived from new school capacity construction bonds shall be exempt from State and local taxation.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2005.

Approved May 26, 2005.
