

~~FOR--the--purpose--of--defining--the--public--purposes--for--which--an issuer may issue its refunding bonds to include a savings to the issuer in the effective cost of debt service--through--a reduction,--in--accordance--with--a--present--value--calculation, in the issuer's annual debt service for any period which--is not less than 10 percent of the stated term of the refunding bonds,--and--generally--relating--to--the--refunding--of--bonds--by--a political subdivision empowered to borrow money.~~

FOR the purpose of redefining the public purposes for which an issuer may issue its refunding bonds to allow present value savings computations and to allow its governing body to determine that the best interests of the issuer will be served by a refunding to accomplish a debt restructuring; and generally relating to the refunding of bonds by a public body empowered to borrow money.

BY repealing and reenacting, with amendments,

Article 31 - Debt - Public
Section 24(a)
Annotated Code of Maryland
(1983 Replacement Volume)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article 31 - Debt - Public

24.

(a) A municipal corporation subject to the provisions of Article 23A, a county, whether subject to the provisions of Articles 25, 25A, or 25B, Baltimore City, a sanitary commission or district, whether organized under the provisions of public general or public local law, but not including the Washington Suburban Sanitary Commission, and a department, commission, authority, public corporation or other instrumentality of the State, a county or municipal corporation, including Baltimore City, that has power under any public general or public local law to borrow money and to evidence the borrowing by the issuance of its general obligation bonds, revenue bonds or other evidences of obligation by whatever name known or source of funds secured, may issue bonds for the purpose of refunding any of its bonds then outstanding, including the payment of any redemption premium and any interest accrued or to accrue to the date of redemption, purchase or maturity of the bonds or other obligations. No refunding bonds shall be issued by any State agency without the prior approval of the Board of Public Works, nor by any single county, bicounty or multicounty agency or instrumentality without the prior approval of the governing body of each county involved. Refunding bonds issued under the authority of this section may be issued [only] for the public purpose of [realizing savings to the issuer in the effective costs of debt service directly or through