

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 31, § 20(a) and (b) and, except for the last phrase, the first sentence of § 19.

In subsection (c) of this section, the broader cross-reference to "§§ 8-117 through 8-124 [of this subtitle] and Article 31, § 22" is substituted for the former cross-reference to "§§ 19 to 23 of Article 31 (1971 Replacement Volume and 1975 Supplement, as amended from time to time)", to include former Art. 31, §§ 2B and 30, former Art. 78A, § 1, and former Art. 95, § 15, which also related to the sale and delivery of State general obligation bonds and which are revised in this Part III of this subtitle. The reference to Art. 31, § 22 reflects that that section, which provides that State bonds are exempt from taxation, is to be retained in Art. 31 until revised in the Taxation - Property Article. The substituted language omits the former reference to the volume of the Code "as amended from time to time", in light of Art. 1, § 21 of the Code.

Also in subsection (c) of this section, provision for the payment of the expenses of "selling" State bonds is added, to conform to practice, under which those expenses are paid from the proceeds of the sale, unless the State budget includes money for those expenses.

The Commission to Revise the Annotated Code notes, for consideration by the General Assembly, that the first sentence of former Art. 31, § 19 enabled the General Assembly to authorize the Board to borrow money and to issue State bonds "in accordance with the provisions of Article III, § 34, of the Maryland Constitution, this subtitle and the specific enabling act." The former phrase "in accordance with the ... act" could be read as a limitation on the manner in which the Board may borrow and issue State bonds. However, the referenced Md. Constitution, Art. III, § 34 states, in part, that "[n]o debt shall be hereafter contracted by the General Assembly ...", and, therefore, the former phrase also could be read as a limitation on the power of the General Assembly.

The former phrase is revised in § 8-118(b) of this subtitle, as a limitation on the Board. This revision reflects that, since the General Assembly passes the enabling act, the former specific reference to the act did not seem to be a limitation on the General Assembly. Since, even without a specific reference to Md. Constitution, Art. III, § 34, that constitutional provision would apply to the General Assembly, the Commission concluded that this revision does not effect a change.