2, PART III OF THE STATE FINANCE AND PROCUREMENT ARTICLE, and any bonds thereafter issued from the proceeds of which the notes are to be paid, together with the interest on the obligations, shall be and remain exempt from taxation of any kind and nature whatsoever by the State of Maryland and by any county, municipal corporation, or other political subdivision of the State.

REVISOR'S NOTE: Chapter ____, Acts of 1985, which enacted the State Finance and Procurement Article, also amended subsection (g) of this section.

24.

(a) A municipal corporation subject to the provisions of Article 23A, a county, whether subject to the provisions of [Articles] ARTICLE 25, ARTICLE 25A, or ARTICLE 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, A PUBLIC CORPORATION OF THE STATE, 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 for the public purpose of:

(1) Realizing savings to the issuer in the aggregate cost of debt service on either a direct comparison or present value basis; or

(2) Debt restructuring that:

(i) In the aggregate effects such a reduction in the cost of debt service; or

(ii) Is determined by the governing body to be in the best interests of the issuer, to be consistent with the issuer's long-term financial plan, and to realize a financial objective of the issuer including, improving the relationship of debt service to a source of payment such as taxes, assessments, or other charges.

The power to issue refunding bonds under this section shall be deemed additional and supplemental to the issuer's existing