

REVISOR'S NOTE: This section is new language derived without substantive change from the first clause of the eighth sentence of former HE § 9-908(a) and from the fourth sentence of (d).

The reference to "bonds" is deleted from subsection (b) of this section in light of its inclusion in the broad, general provisions of subsection (a) of this section.

9-930. BONDS NOT PLEDGE OF FAITH AND CREDIT OF STATE OR POLITICAL SUBDIVISION.

(A) IN GENERAL.

A BOND ISSUED UNDER THIS SUBTITLE:

(1) IS NOT A PLEDGE OF THE FAITH AND CREDIT OF THIS STATE OR ANY OF ITS POLITICAL SUBDIVISIONS; AND

(2) SHALL SAY ON ITS FACE THAT NEITHER THE FAITH AND CREDIT OF THIS STATE NOR THE FAITH AND CREDIT OF ANY OF ITS POLITICAL SUBDIVISIONS IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BOND.

(B) BONDS NOT OBLIGATION TO TAX OR MAKE APPROPRIATIONS.

THE ISSUANCE OF A BOND UNDER THIS SUBTITLE DOES NOT OBLIGATE THIS STATE OR ANY OF ITS POLITICAL SUBDIVISIONS DIRECTLY, INDIRECTLY, OR CONTINGENTLY:

(1) TO LEVY ANY TAX; OR

(2) TO MAKE ANY APPROPRIATION FOR PAYMENT OF THE BONDS, EXCEPT FROM FUNDS PLEDGED IN ACCORDANCE WITH THIS SUBTITLE.

REVISOR'S NOTE: This section is new language derived without substantive change from former HE § 9-909.

9-931. BONDS CONSTITUTE LEGAL INVESTMENT BONDS.

A BOND ISSUED UNDER THIS SUBTITLE IS A SECURITY:

(1) IN WHICH ANY PERSON WHO CONDUCTS A BANKING BUSINESS, INVESTMENT BUSINESS, OR INSURANCE BUSINESS, ANY FIDUCIARY, ANY OTHER PERSON, OR ANY PUBLIC OFFICER OR AGENCY OF THIS STATE OR OF ANY POLITICAL SUBDIVISION MAY INVEST FUNDS, INCLUDING CAPITAL THAT:

(I) IS IN THE CONTROL OF THE PERSON, OFFICER, OR AGENCY; OR

(II) BELONGS TO THE PERSON, OFFICER, OR AGENCY;

AND