

CHAPTER 246

(House Bill 874)

AN ACT concerning

Bonds of State Units and Public Instrumentalities

FOR the purpose of reaffirming ~~an~~ and particularizing the authority of the financial officer of a unit of State government to take certain actions with respect to the administration, management, investment and accounting of the proceeds of bonds issued by that State unit and to maintain certain records and make certain filings, including maintenance of a separate rebate fund from which to make any required rebate payments to the United States; providing that amounts deposited to the rebate fund shall be used only for the purpose of making rebate payments ~~and may not be deemed moneys of the State and that no appropriation will be required prior to payment of any rebates from the rebate fund~~; providing that this Act does not prevent the State unit from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes; defining terms; and making this Act an emergency measure.

BY adding to

Article - State Finance and Procurement  
 Section 8-211  
 Annotated Code of Maryland  
 (1985 Volume and 1986 Supplement)

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

Article - State Finance and Procurement  
 8-211.

(A) (1) IN THIS SECTION, THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "CODE" MEANS THE INTERNAL REVENUE CODE OF 1986 AND INCLUDES REGULATIONS AND RULINGS ISSUED UNDER THAT CODE.

(3) "FINANCIAL OFFICER" MEANS THE CONTROLLER, THE DIRECTOR OF FINANCE OR SIMILAR OFFICIAL OF A UNIT OF THE STATE GOVERNMENT OR A POLITICAL INSTRUMENTALITY OF THE STATE THAT HAS