

WILLIAM DONALD SCHAEFER, Governor

- (c) Any failure to comply with the provisions of this Section 7 shall not in any way affect the validity of any nonessential function bonds issued pursuant to an allocation of the Maryland State Ceiling under this Proclamation or the tax-exempt status of any such nonessential function bonds, including the tax-exempt status of interest on such nonessential function bonds. However, notwithstanding any other provisions of this Proclamation, any such failure may be taken into consideration by the Secretary in evaluating an Issuer's request for a reallocation or in making any initial allocation for an Issuer in subsequent years. The Secretary may reduce or withhold all or any portion of an Issuer's initial allocation for any subsequent year if it fails to comply with the minority considerations of this Section 7.

Section 8. Transfer of Allocation. Except as provided in Section 4 with respect to the transfer of a County's allocation to Local Issuers within its boundaries, an Issuer receiving an allocation pursuant to this Proclamation may not transfer any portion of its allocation to any other Issuer except that, notwithstanding any applicable law, charter, ordinance, or other corporate documents, any Issuer receiving an allocation pursuant to this Proclamation may transfer any portion of its allocation to a State Issuer. The Secretary may at any time reallocate any such transferred allocations in his sole and absolute discretion.

Section 9. Information Report.

- (a) Unless another Section of this Proclamation requires a shorter time period, the Secretary shall receive a copy of the fully executed Information Report filed or to be filed with the IRS and the Section 266G Certificate, if applicable, within 10 business days after the date on which any Issuer issues nonessential function bonds. The Secretary may extend or waive this deadline for good cause shown.
- (b) Any nonessential function bond for which the fully executed Information Report filed or to be filed with the IRS or the Section 266G Certificate, if applicable, is not received in accordance with this Section shall be deemed not to have received an allocation of the Maryland State Ceiling.
- (c) The Secretary may require earlier filing of the final or draft Information Report and any other forms or reports that the Secretary considers necessary or desirable.