

CHAPTER 668

(House Bill 636)

AN ACT concerning

Creation of a State Debt - Chesapeake
Bay Water Quality Loan of 1988

FOR the purpose of restoring, protecting, and improving the water quality of the Chesapeake Bay and the water of the State by authorizing the creation of a State Debt in the amount of \$17,700,000, the proceeds to be used for certain programs or projects related to construction or improvements at publicly-owned sewage treatment works, to the control of agriculturally related nonpoint sources of water pollution, to reduce pollution from stormwater runoff in existing urbanized areas, and to address existing special water quality or public health needs; and providing generally for the issuance and sale of bonds evidencing the loan.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That:

(1) The Board of Public Works may borrow money and incur indebtedness on behalf of the State of Maryland through a State loan to be known as the Chesapeake Bay Water Quality Loan of 1988 in the total principal amount of \$17,700,000. This loan shall be evidenced by the issuance, sale, and delivery of State general obligation bonds authorized by a resolution of the Board of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

(2) The bonds to evidence this loan or installments of this loan may be sold as a single issue, or may be consolidated and sold as part of a single issue of bonds under § 8-122 of the State Finance and Procurement Article.

(3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and first shall be applied to the payment of the expenses of issuing, selling, and delivering the bonds, unless funds for this purpose are otherwise provided, and then shall be credited on the books of the Comptroller and expended, on approval by the Board of Public Works, for the following public purposes, including any applicable architects' and engineers' fees: to be credited to the Water Pollution Control Fund and to be expended for projects to improve the water quality of the Chesapeake Bay and other waters of the State, as authorized under Title 9, Subtitle 3, Part VI of the Environment