

to the debt service requirements of the State. The Board of Public Works may waive the State's right of recovery if the Board determines that there is good cause for releasing the transferor, transferee, or owner from this obligation.

(10) An annual State tax is imposed on all assessable property in the State in rate and amount sufficient to pay the principal of and interest on the bonds, as and when due and until paid in full. The principal shall be discharged within 15 years after the date of issue of the bonds.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 1989.

Approved May 5, 1989.

-----

CHAPTER 212

(House Bill 490)

AN ACT concerning

Creation of a State Debt - Water Supply Facilities Loan of 1989

FOR the purpose of authorizing the creation of a State Debt in the amount of \$2,000,000 the proceeds to be used by the Secretary of the Department of the Environment for the purpose of providing State financial assistance to certain governmental entities for the acquisition, construction, equipping, rehabilitation, and improvement of water supply facilities under criteria, terms, and conditions required by this Act and Chapter 306 of the Acts of 1982 and certain applicable rules and regulations; and providing generally for the issue 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 Water Supply Facilities Loan of 1989 in the aggregate principal amount of \$2,000,000. This loan shall be evidenced by the issuance and sale 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.