

ANY INCOME DERIVED FROM THEM, INCLUDING ANY PROFIT REALIZED IN THEIR SALE OR EXCHANGE, SHALL BE EXEMPT FROM TAXATION BY THIS STATE OR BY ANY OF ITS POLITICAL SUBDIVISIONS, MUNICIPAL CORPORATIONS, OR PUBLIC AGENCIES.

(B) THE BONDS, NOTES, AND OTHER EVIDENCES OF OBLIGATION ISSUED UNDER THIS SUBTITLE ARE NOT AND MAY NOT BE CONSIDERED TO CONSTITUTE A DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF MARYLAND, BUT SHALL BE PAYABLE, AS TO BOTH PRINCIPAL AND INTEREST, ONLY FROM THE PROCEEDS OF THE REVENUES PLEDGED OR MADE AVAILABLE UNDER THIS SUBTITLE FOR THIS PURPOSE.

(C) THE DEPARTMENT'S PLEDGE OF REVENUES AND FUNDS TO SECURE ITS BONDS, NOTES, AND OTHER EVIDENCES OF OBLIGATION ISSUED UNDER THIS SUBTITLE, SHALL BE VALID AND BINDING AGAINST ANY PERSON HAVING A CLAIM AGAINST THE DEPARTMENT, AND SHALL HAVE PRIORITY OVER ANY SUCH CLAIM, REGARDLESS OF WHETHER THE PERSON HAS NOTICE OF THE DEPARTMENT'S PLEDGE.

(D) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE DEPARTMENT IS ONLY REQUIRED TO FILE OR RECORD IN THE RECORDS OF THE DEPARTMENT ANY RESOLUTION, TRUST AGREEMENT, OR OTHER INSTRUMENT THAT CREATES A LIEN ON, A SECURITY INTEREST IN, OR AN ASSIGNMENT OF:

- (1) ANY REVENUES;
- (2) ANY RIGHTS TO RECEIVE REVENUES; OR

(3) ANY MONEYS OR SECURITIES IN THE FUNDS AND ACCOUNTS PLEDGED TO THE BONDS, NOTES, OR OTHER EVIDENCE OF OBLIGATION OF THE DEPARTMENT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2002.

Approved May 16, 2002.

CHAPTER 471

(Senate Bill 535)

AN ACT concerning

The Elderly - Naturally Occurring Retirement Community Demonstration Program

FOR the purpose of establishing the Naturally Occurring Retirement Community Demonstration Program; stating the purpose of the Program; requiring the Secretary of Aging to set certain eligibility criteria, in consultation with certain parties; requiring the Secretary to take certain actions when administering the Program; requiring Program applicants to provide certain information and