

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007, and shall be applicable to all taxable years beginning after December 31, 2006.

Approved by the Governor, May 17, 2007.

CHAPTER 585

(Senate Bill 986)

AN ACT concerning

Creation of a State Debt – Aging School Program – Qualified Zone Academy Bonds

FOR the purpose of authorizing the creation of a State Debt in the amount of \$11,126,000, the proceeds to be used as a grant to the Interagency Committee on School Construction for certain development or improvement purposes; providing for disbursement of the loan proceeds and the allocation of funds to eligible school systems, subject to a requirement that the grantee document the provision of a required federal matching fund; authorizing the Board of Public Works to sell certain bonds at certain sales; providing that a certain amount from certain bonds that is to be distributed under a certain program shall be allocated in accordance with a certain statutory provision; 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 Aging School Program – Qualified Zone Academy Bonds Loan of 2007 in a total principal amount of \$11,126,000. This loan shall be evidenced by the issuance, sale, and delivery of State general obligation qualified zone academy bonds, as defined in § 1397E(d)(1) of the Internal Revenue Code of the United States, as amended, 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 Annotated Code of Maryland, and § 1397E of the Internal Revenue Code, as amended.

(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