(2) A CONTRACT TO ACQUIRE OR IMPROVE A FACILITY MAY PROVIDE THAT PAYMENT SHALL BE MADE IN BONDS.

(B) APPLICABILITY.

A BOND IS NOT SUBJECT TO THE LIMITATIONS OF ARTICLE 31, §§ 9, 10, AND 11 OF THE CODE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 41, § 14–106(d).

In subsection (a)(1) of this section, the reference to a "competitive or negotiated" sale is substituted for the former reference to a "public or private (negotiated)" sale for clarity and consistency within this article.

Defined terms: "Bond" § 12–101
"Improvement" § 12–101
"Public body" § 12–101

12–113. PAYMENT OF BONDS.

(A) BONDS PAYABLE FROM REVENUE.

(1) A BOND AND THE INTEREST ON A BOND ARE LIMITED OBLIGATIONS OF THE PUBLIC BODY.

(2) EXCEPT FOR BOND ANTICIPATION NOTES AND NOTES IN THE NATURE OF COMMERCIAL PAPER, THE PRINCIPAL OF, PREMIUM, AND INTEREST ON A BOND ARE PAYABLE SOLELY FROM:

(I) MONEY FROM THE FINANCING OF A FACILITY; OR

(II) OTHER MONEY MADE AVAILABLE TO THE PUBLIC BODY.

(3) BONDS AND THE INTEREST ON THEM:

(I) ARE NOT DEBTS OR CHARGES AGAINST THE GENERAL CREDIT OR TAXING POWERS OF A PUBLIC BODY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR CHARTER PROVISION OR STATUTORY LIMITATION; AND

(II) MAY NOT GIVE RISE TO ANY PECUNIARY LIABILITY OF AN ISSUING PUBLIC BODY.

(4) A BOND MAY STATE ON ITS FACE THAT THE BOND:

(I) IS ISSUED UNDER THIS SUBTITLE; AND

(II) IS NOT A DEBT TO WHICH THE PUBLIC BODY'S FAITH AND CREDIT IS PLEDGED.

(B) APPOINTMENT OF RECEIVER.

ON DEFAULT IN THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON A BOND, A COURT WITH JURISDICTION: