

authority for the governing body of a political subdivision to create a special fund under this subtitle is § 12-208(a).

Defined terms: "Bond" § 12-201

"Development district" § 12-201

"Political subdivision" § 12-201

"State" § 9-101

12-209. SPECIAL FUND — USES.

(A) NO BOND OBLIGATIONS OUTSTANDING.

SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE SPECIAL FUND FOR THE DEVELOPMENT DISTRICT MAY BE USED FOR ANY OF THE FOLLOWING PURPOSES AS DETERMINED BY THE GOVERNING BODY OF THE POLITICAL SUBDIVISION:

- (1) A PURPOSE SPECIFIED IN § 12-207 OF THIS SUBTITLE;
- (2) ACCUMULATED TO PAY DEBT SERVICE ON BONDS TO BE ISSUED LATER;
- (3) PAYMENT OR REIMBURSEMENT OF DEBT SERVICE THAT THE POLITICAL SUBDIVISION IS OBLIGED UNDER A GENERAL OR LIMITED OBLIGATION TO PAY, OR HAS PAID, ON BONDS ISSUED BY THE STATE, A POLITICAL SUBDIVISION, OR THE REVENUE AUTHORITY OF PRINCE GEORGE'S COUNTY IF THE PROCEEDS WERE USED FOR A PURPOSE SPECIFIED IN § 12-207 OF THIS SUBTITLE; OR
- (4) PAYMENT TO THE POLITICAL SUBDIVISION FOR ANY OTHER LEGAL PURPOSE.

(B) BOND OBLIGATIONS OUTSTANDING.

IF BONDS ARE OUTSTANDING WITH RESPECT TO A DEVELOPMENT DISTRICT, THE SPECIAL FUND MAY BE USED AS DESCRIBED IN SUBSECTION (A) OF THIS SECTION IN ANY FISCAL YEAR ONLY IF:

- (1) THE BALANCE OF THE SPECIAL FUND EXCEEDS THE UNPAID DEBT SERVICE PAYABLE ON THE BONDS IN THE FISCAL YEAR; AND
- (2) THE SPECIAL FUND IS NOT RESTRICTED SO TO PROHIBIT THE USE.

(C) ISSUANCE OF GENERAL OBLIGATION BONDS.

THE ISSUANCE OF BONDS PLEDGING THE FULL FAITH AND CREDIT OF THE POLITICAL SUBDIVISION SHALL COMPLY WITH APPROPRIATE COUNTY OR MUNICIPAL CHARTER REQUIREMENTS.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 41, § 14-208.

Defined terms: "Bond" § 12-201

"Development district" § 12-201

"Political subdivision" § 12-201

"State" § 9-101