

WILLIAM DONALD SCHAEFER, Governor

by certain counties and municipal corporations in the State of general obligation or revenue bonds or other evidences of obligation in order to fund any unfunded pension plan liability of the issuer; establishing terms, conditions and procedures for the issuance of pension liability funding bonds; providing for the creation of a trust fund in connection with any pension liability funding and the application of the proceeds thereof; providing that certain findings by the legislative or other governing body of the public body issuing pension liability funding bonds shall be conclusive; providing for the exemption from State and local taxes within the State of Maryland of the bonds and the income therefrom; providing that provisions of this Act are severable; and generally finding, determining and providing for various matters in connection with the issuance and sale of pension liability funding bonds.

BY adding to

Article 31 - Debt - Public

Section 31 and the new subtitle "Pension Liability Funding Bonds"

Annotated Code of Maryland  
(1986 Replacement Volume)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article 31 - Debt - Public

PENSION LIABILITY FUNDING BONDS

31.

(A) THE GENERAL ASSEMBLY FINDS AND DETERMINES THAT IT IS IN THE BEST INTERESTS OF THE CITIZENS OF THE STATE AND OF THE VARIOUS MUNICIPAL CORPORATIONS SUBJECT TO THE PROVISIONS OF ARTICLE 23A AND COUNTIES SUBJECT TO THE PROVISIONS OF ARTICLE 25A OR ARTICLE 25B TO PERMIT EACH PUBLIC BODY, AT THE TIMES IT SHALL DETERMINE TO BE APPROPRIATE, TO ISSUE GENERAL OBLIGATION BONDS, REVENUE BONDS, OR OTHER EVIDENCES OF OBLIGATION IN ORDER TO FUND ANY UNFUNDED LIABILITY OF THE PUBLIC BODY WITH RESPECT TO ANY PENSION PLAN (HEREINAFTER DEFINED), THEREBY UTILIZING FAVORABLE MARKET CONDITIONS THAT MAY EXIST FROM TIME TO TIME TO REDUCE THE COST OF THE PENSION PLAN TO THE PUBLIC BODY IN QUESTION OR OTHERWISE STRUCTURING AND PROVIDING FOR PENSION PLAN LIABILITY FUNDING IN A MANNER CONSISTENT WITH THE FINANCIAL PLANS OF THE PUBLIC BODY.

(B) A MUNICIPAL CORPORATION SUBJECT TO THE PROVISIONS OF ARTICLE 23A OR A COUNTY SUBJECT TO THE PROVISIONS OF ARTICLE 25A OR ARTICLE 25B THAT HAS POWER UNDER ANY PUBLIC GENERAL OR PUBLIC